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Executive Insight Brief

March 24, 2023

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Aerospace & Defense

[U.S. to Send Aging Attack Planes to Mideast and Shift Newer Jets to Asia, Europe \(WSJ\)](#)

The U.S. will send aging A-10 attack planes to swap for more advanced combat aircraft in the Middle East as part of a Pentagon effort to shift more modern fighters to the Pacific and

Europe to deter China and Russia, U.S. officials said. The deployment of the A-10s, scheduled for April, is part of a broader plan that also calls for retaining modest naval and ground forces in the Middle East region. The U.S. military is transitioning to a new era of “Great Power” competition with China and Russia, and has for years sought to shrink its footprint in the Middle East only to run up against an array of challenges. While American troops have left Afghanistan, the U.S. military is helping its Iraqi and Syrian partners battle Islamic State militants, nearly 700 of whom were killed last year, according to the U.S. military. U.S. forces also are trying to deter repeated attacks by Iranian-backed militias, while American planes share the skies over Syria with Russian jet fighter aircraft that U.S. officials have described as increasingly aggressive. The U.S. Central Command, which oversees operations in the Middle East, has determined that it needs to keep 2½ squadrons of jet fighter aircraft in the region, a senior defense official said. The plan has raised eyebrows in some defense circles since the Air Force has pushed to phase out the aging A-10s to free up funds for other programs, often against resistance in Congress. “We’re retiring A-10s faster than we originally thought,” Gen. C.Q. Brown, the Air Force chief of staff, said earlier this month at a defense conference organized by consulting firm McAleese and Associates. Critics of the A-10 say the four-decade-old planes are too vulnerable and slow to contend with China’s growing military. But some experts say it still has utility in the Middle East, including against lightly armed militia fighters or Iranian naval craft, enabling the Pentagon to shift modern multirole fighters to the Pacific and Europe. “The imperative is to get the most suitable aircraft to the Pacific for the higher threat challenges,” said Larry Stutzriem, a retired Air Force major general, who has flown the A-10, the F-16 and other aircraft. “The A-10 is still relevant to the mission Centcom flies over the Middle East.” The Air Force deployments are part of a more comprehensive classified plan that would see two to three ships generally based in the Middle East, but not an aircraft carrier, according to officials familiar with the plan. In addition, the U.S. will keep two U.S. Army Patriot anti missile battalions in the Middle East. A battalion is made up of four Patriot batteries, each of which can have up to eight launchers. The U.S. will continue to keep some 2,500 troops in Iraq and about 900 troops in Syria to help local partners fight ISIS militants. All told, more than 30,000 U.S. military personnel will remain in the region.

[Pentagon Probes Why Boeing Staff Worked on Air Force One Planes Without Security Credentials](#)

[US Air Force's \\$96 Billion Northrop ICBM Faces Delays \(Bloomberg\)](#)

The US Air Force and Defense Department are facing potential schedule delays for the new intercontinental ballistic missile that’s central to efforts to modernize the nation’s nuclear arsenal, less than three years into its development. The \$96 billion Sentinel ICBM, to be built by Northrop Grumman Corp., may miss its goal of initial deployment in May 2029 by as much as two years, according to information presented at a high-level Pentagon review last month. Among the causes cited: A shortage of skilled engineers and supply-chain problems. The potential delays haven’t previously been disclosed. The

Sentinel program has wide bipartisan congressional support because it's seen as a key deterrent against China, which is rapidly increasing its nuclear arsenal. Still, any major delay may embolden arms control advocates who have pressed for its termination in favor of extending the life of 1970s-era Minuteman III missiles. Without confirming specifics of the potential timeline, the Air Force said in a statement that it's reviewing ways to mitigate the potential delays. "In the current macroeconomic environment" the Air Force is seeing "challenges with hiring qualified staff due to a competitive labor market and increasing" parts delivery delays from "supply chain constraints," according to the statement. The program office is "updating its acquisition strategy to address these challenges and take advantage of opportunities to preserve" the weapon's initial deployment date, the service said. The Air Force said it has "identified and is ready to execute acquisition strategy changes to reduce risk and optimize schedule, wherever possible." The Air Force said it plans to accelerate activities "to mitigate deployment and production risks" when possible. Those actions "will result in a new program schedule." "While some interim activities and milestones will change," specific acquisition timelines are "yet to be finalized," according to the Air Force. The service said it believes "the overall schedule risk under these changes will be lower than before." The Sentinel is part of a push to update the nation's arsenal that's designed to deliver nuclear weapons by air, land and sea — the so-called nuclear triad. The triad modernization remains a key Pentagon priority under the Biden administration after it was jump-started by President Barack Obama and continued by President Donald Trump. The Air Force is requesting \$4.5 billion in fiscal 2024 and \$38.5 billion through fiscal 2028 for the Sentinel program. The figure includes \$19.4 billion in procurement. The service plans to buy 659 missiles from Northrop Grumman, which includes 25 test items and 634 missiles to replace Minutemen in silos and provide for spares. Northrop Grumman said in a statement that the Sentinel program has met "milestones to date, including recent successes in hypersonic wind tunnel testing, and a stage-one solid rocket motor static fire."

[How the Ukraine War Accelerates the Defense Strategy](#)

['Up our game': The Pentagon's 3 strategies to shore up munitions stockpiles \(Breaking Defense\)](#)

With demand for munitions in Ukraine only increasing and NATO members expressing fears about their own stockpile levels, Pentagon planners last week laid out a three-pronged approach to keeping US munition stocks at acceptable levels. Now defense officials just have to get industry to trust them. The three steps, revealed as part of the fiscal 2024 budget rollout and in subsequent statements by officials, are a mix of classic concepts and new ideas. On the classic side, it features a major push for multi-year munitions buys, which lock in guaranteed procurements instead of going year-by-year. On the new ideas side, the Pentagon is exploring a pilot project for larger-lot procurement, as well as a new "Joint Production Accelerator Cell" to understand and head off industry challenges. The overall effort is a direct result of what has happened in the last year in Ukraine, with Pentagon Comptroller Michael McCord saying on March 13 that "Ukraine has

really informed and highlighted the need to up our game here.” At the same time, the weapon systems lined up for multi-year buys are “not the kind of missiles that are key to the Ukraine fight: These are key to Indo-Pacific deterrence,” he later added. “What we’re trying to do here... is to think about lessons that we’re learning today and apply them to the future, apply them to other scenarios.” But while munitions are a hot topic right now, industry officials have been burned before by the Pentagon raising munitions levels and then dropping them shortly after, which would leave companies who invest in increasing production holding the bag for new overhead costs. Steven Grundman, a senior fellow with the Forward Defense practice of the Atlantic Council’s Scowcroft Center for Strategy and Security, acknowledged that industry has a right to be skittish, based on past government decisions to use munition coffers as a bill-payer. However, he noted that if the government is serious about ramping up munition production lines, enhanced funding is the key since industry is primarily concerned with the money and risk. “At that point, there is going to be a dance with industry over who is going to bear the risk of financing the investments needed to meet this new level of demand,” Grundman told Breaking Defense on Monday. “As distasteful as this dance may appear, these are normal business issues, and resolving them should not hold up the train. “If contractors are not going to put at least some investment of working capital forward in this crisis, then we could hardly blame the government if it takes one step back to find competitors which are willing to bear more risk to get into the market,” he added. Added industry analyst Roman Schweizer of the Cowen Group, “It’s encouraging that DoD is using a number of new and existing contracting vehicles and funding approaches to increase stockpiles and production rates. The use of multi-year contracts should give industry the confidence it needs to increase hiring and fund plant expansion to expand beyond peacetime production rates. Given the recent inflation, labor and supply chain issues the industry has faced and continues to work through, this is likely to require sustained attention from DoD, Congress and industry.”

Budget & Appropriations

[Indo-Pacom wish list seeks funding for logistics, missiles \(POLITICO Pro\)](#)

Two combatant commands have submitted wish lists to Congress laying out top priorities that didn't make it into this year's budget request. U.S. Indo-Pacific Command is requesting \$3.4 billion for 30 projects. One major entry, \$511 million, would provide transportation and support costs for forces several times annually to exercise in the western Pacific and Indian Ocean. The command also wants \$395 million in research and development funding for the Army and \$98 million for the Marine Corps for maritime strike Tomahawk land attack missiles. This would accelerate the development of a long- and medium-range missile. The command also wants \$357 million for the Standard Missile-6 Block 1B. This would provide an extended-range ground and sea-based weapon. Meanwhile, U.S. Central Command is requesting \$280 million for five areas: air defense, logistics, innovation, active campaigning and digital modernization. Specifically, the command wants funding for counter-drone technology, prepositioned war reserve stockpiles, data analysis and cloud computing. The lists mark the latest documents submitted by military branches and

commands following the release of the fiscal 2024 budget this month. The lists are an annual practice and serve as guidelines for members of Congress who look to appropriate and authorize more funding. The Navy has outlined more than \$2.5 billion in programs that weren't included in the administration's budget this month that the service wants to see funded if Congress provides additional money. The off-budget inventory largely avoids requests for more hardware, such as extra ships and aircraft, and instead emphasizes spending any extra money on boosting capability and readiness. The Marine Corps, meanwhile, has submitted a wish list containing \$3.6 billion in unfunded priorities, including \$1.7 billion for an amphibious ship that was left out of the Navy's shipbuilding proposal.

[Slow your roll: Army plans reduced buys for some key combat vehicle fleets](#)

[Navy seeks \\$3.6 billion over 5 years for 64 hypersonic Conventional Prompt Strike rounds \(Breaking Defense\)](#)

The Navy for the first time has outlined the initial production schedule for its hypersonic missile program, a \$3.6 billion dollar buy for 64 rounds over the next five years. Conventional Prompt Strike is the Pentagon's upcoming hypersonic weapon being jointly developed by the Navy and Army. The Navy will employ it on Zumwalt-class destroyers and Virginia-class submarines, while the Army will operate a land-based variant. The details of the Navy's schedule to produce the all up rounds for the program are outlined in the service's newly released budget justification documents. The request for fiscal 2024 includes \$341 million for the first eight rounds. The service's projected schedule for future years, which are subject to change when those budget requests are submitted, include 10 rounds for \$440 million in FY25; 11 rounds for \$663 million in FY26; 16 rounds for \$988 million in FY27; and 19 rounds for \$1.1 billion in FY28. It is not clear as of press time whether the Army will also seek funding in its new budget request for all-up rounds — meaning the round contains the warhead, missile body, container and other necessary components for launch — because the associated justification documents have not yet been made public. An Army spokesperson did not immediately respond to questions from Breaking Defense. The Navy plans to integrate CPS onto the Zumwalt destroyers in FY25 and onto its submarines around FY29. Despite achieving a variety of “Joint Flight Campaigns” last year, the Pentagon's top weapons tester recently reported it is too early in the program's life cycle to assess its overall effectiveness. One of the most senior Navy officers overseeing the weapon's development earlier this month acknowledged to lawmakers the Pentagon had to cancel a recently planned test due to a “battery failure,” USNI News reported. When asked during a press conference at the Pentagon why the service was proceeding with production despite the testing mishaps, Rear Adm. John Gumbleton, the service's officer charged with crafting the annual budget request, said the request is “an endorsement of the capability.”

[Marine Corps' unfunded list topped by \\$1.7B amphibious warship](#)

[Defense chiefs warn against budget cuts, say it would endanger US security \(The Hill\)](#)

Defense Secretary Lloyd Austin and Chairman of the Joint Chiefs of Staff Gen. Mark Milley warned Congress on Thursday against cutting the Pentagon's annual budget, arguing it would endanger U.S. security and reduce the nation's war-fighting capabilities. In their most extensive public comments yet on potential budget reductions, the defense chiefs pushed back against an agreement reached earlier this year among more conservative House Republicans to cap all discretionary spending at fiscal 2022 levels, which has led to concerns about defense spending cuts. "We would have to cut a significant amount of programs," Milley told Congress at a House Appropriations Committee hearing, specifically citing programs to increase artillery production and shipbuilding. "The other thing that would be cut is readiness," he continued. "Our training would be reduced significantly ... all of those things would come down, all your readiness levels, everything that has been achieved [in the last decade] would start going in the opposite direction." House Republicans are locked in a debt ceiling showdown with the White House as they look to reduce the national debt and slash what they consider out-of-control discretionary spending. Speaker Kevin McCarthy (R-Calif.) agreed with more conservative lawmakers in January to cap all new discretionary spending at fiscal 2022 levels, although many in the GOP are opposed to reducing defense spending and have eyed larger non defense cuts instead. It remains unclear where exactly the GOP would make its desired budget cuts, and President Biden has pressured party leaders to release a specific budget proposal. Some Republicans are eager to cut out defense programs they consider "woke," including diversity, equity and inclusion training and efforts to address climate change, despite those programs making up a small portion of the budget. Austin said any cuts to the defense budget would impact the civilian workforce in the Pentagon and imperil cybersecurity programs amid threats from Chinese, Russian and Iranian malicious actors.

Advanced Technologies

[Congress lays groundwork for AUKUS export control reform \(Defense News\)](#)

Congress on Wednesday took the first step in what is expected to be a lengthy effort to overhaul U.S. export control laws in order to expedite technology cooperation needed to implement a central pillar of the AUKUS trilateral agreement with Australia and the U.K. The House passed a bill 393-4 directing the State Department and Pentagon to submit information on defense export licenses necessary to collaborate with the U.S. allies on hypersonic weapons, artificial intelligence and quantum technologies. These technologies form what is known as pillar two of the AUKUS agreement, which all three countries view as critical to filling capability gaps before Australia receives U.S. and U.K. nuclear-powered submarines over the next two decades under pillar one. Rep. Joe Courtney of Connecticut,

the top Democrat on the Armed Services seapower subcommittee, told Defense News that he pushed throughout the past year to “get a circuit-breaker type of mechanism” that would expedite technology sharing arrangements with Australia and the U.K. to alleviate private sector concerns about potential violations of the U.S. International Traffic in Arms Regulations regime, or ITAR. While the State Department oversees ITAR, the Defense Department is responsible for technological security and disclosure policy decisions before ITAR comes into play. A senior administration official told Defense News on March 9 that the Pentagon already initiated a review of these export control policies. “We are currently looking at a wide range of potential changes to ITAR and to other technology sharing restrictions that go under categories like technology, security and foreign disclosure,” said the official, speaking on condition of anonymity to discuss the non-public process. “We’ll be working with Congress, including the Appropriations, Armed Services and also Foreign Relations – which has authority over much of this – to get their support for reforms that we put forward.” The bill the House passed Wednesday, introduced by Foreign Affairs Committee Chairman Mike McCaul, R-Texas, seeks more granular information on export control regulations from the State Department and the Pentagon. It requires a joint report from each agency on how the current U.S. export control regime affects technology cooperation with Australia and the U.K. under AUKUS pillar two. A State Department spokesperson told Defense News on the condition of anonymity to discuss diplomatic issues that the agency does “not anticipate any challenges in implementing AUKUS due to U.S. export control regulations, which exist to safeguard U.S. technologies and maintain the U.S. warfighter’s qualitative edge.” The spokesperson highlighted the State Department’s Open General License Pilot Program — a new ITAR exemption for Australia, the U.K. and Canada.

[How TikTok Became a US-China National Security Issue](#)

[U.S. seeks to prevent China from benefiting from \\$52 billion chips funding \(Reuters\)](#)

The U.S. Commerce Department on Tuesday released proposed rules to prevent \$52 billion in semiconductor manufacturing and research funding from being used by China and other countries deemed of concern. The proposal limits recipients of U.S. funding from investing in the expansion of semiconductor manufacturing in foreign countries of concern such as China and Russia, and limits recipients of incentive funds from engaging in joint research or technology licensing efforts with a foreign entity of concern. It also classifies some semiconductors as critical to national security – defining these chips as not considered to be a legacy chip and therefore subject to tighter restrictions. This measure covers chips “including current-generation and mature-node chips used for quantum computing, in radiation-intensive environments, and for other specialized military capabilities.” Commerce Secretary Gina Raimondo said “these guardrails will help ensure we stay ahead of adversaries for decades to come.” The Commerce Department plans to begin accepting applications in late June for a \$39-billion semiconductor manufacturing subsidy program. The law also creates a 25% investment tax credit for building chip plants, estimated to be worth \$24 billion. In October, the department issued new export controls to

cut China off from certain semiconductor chips made anywhere in the world with U.S. equipment, vastly expanding its reach in its bid to slow Beijing's technological and military advances. The rules built on restrictions sent in letters last year to top toolmakers KLA Corp, Lam Research Corp and Applied Materials Inc, effectively requiring them to halt shipments of equipment to wholly Chinese-owned factories producing advanced logic chips. The Commerce Department on Tuesday said it would reinforce those controls by aligning prohibited technology thresholds for memory chips between export controls and CHIPS national security guardrails and include "a more restrictive threshold for logic chips than is used for export controls."

[Chipmakers fight spread of US crackdowns on 'forever chemicals'](#)

[IBM and Canada to Unveil Chips Pact During Biden-Trudeau Visit \(Bloomberg\)](#)

Canada and International Business Machines Corp. will seal a high-level agreement on expanding semiconductor cooperation on Friday, during US President Joe Biden's visit to Ottawa. The memorandum of understanding will seek to capitalize on the US push for semiconductor investment with its CHIPS Act, according to a government official familiar with the matter. The deal will likely be announced after Biden and Canadian Prime Minister Justin Trudeau hold their bilateral meeting Friday morning. IBM already operates a large facility for testing and packaging semiconductors in Bromont, Quebec, less than an hour north of the US border. The agreement will lay out a plan to further build out the microchip ecosystem in the region, particularly when it comes to workforce development. It will also pledge to look at increasing Canada's role in the semiconductor supply chain and integrating it with US manufacturing. Canada's ultimate goal, the official said, is to develop a cross-border trade corridor for chip manufacturing, patterned on the extensive automotive sector cooperation between the two countries. Industry Minister François-Philippe Champagne has been meeting with IBM and other companies in the sector to push for more investment. Trudeau also pledged to deepen North American cooperation on chips when he met with Biden and Mexican President Andrés Manuel López Obrador in January. That agreement included a promise to map out semiconductor supply chain gaps and opportunities across the continent, and to organize a trilateral forum this year with industry leaders and representatives from each government.

Military Installations & Communities

[Interior and Defense Departments Launch Readiness and Recreation Initiative to Preserve Green Spaces, Enhance Recreation Opportunities around Military Installations \(DoI\)](#)

The Departments of the Interior and Defense today announced a new partnership and \$80 million in investments to preserve land around military installations and improve access to

outdoor recreation for millions of Americans. The announcement comes as the Biden-Harris administration convenes Tribal leaders, elected officials and conservation advocates for the White House Conservation in Action Summit, which will highlight the Biden-Harris administration's historic investments to advance conservation, restoration, and stewardship efforts and access to nature in communities nationwide. Through the new Readiness and Recreation Initiative, the Interior Department's National Park Service will provide approximately \$40 million in funding from unobligated balances in the Land and Water Conservation Fund (LCWF) and matching \$40 million funds from the Defense Department's Readiness and Environmental Protection Integration Program (REPI). The REPI Program secures land adjacent to military bases to serve as buffers to development, enhance recreational access, protect at-risk species, and improve resistance to impacts from climate change and severe weather events. Congress provided REPI funding with authority to be used as a non federal cost share match, allowing states and local governments to leverage these dollars to meet the required 50 percent match for LWCF formula grants. The Departments will work with states to identify and support eligible REPI projects that will provide appropriate public outdoor recreational opportunities without compromising military operations, and states will apply for funding through a competitive process. Funding could support projects on private, state, or local lands. Under the REPI Program, Military Services enter into cost-sharing agreements with state and local governments and conservation organizations to acquire land in fee or under easement, in order to prevent residential and commercial development around bases that could impact operational capabilities. Through Fiscal Year 2022, the program has leveraged \$1.24 billion in Defense funding with over \$1.13 billion in partner contributions —nearly a 1:1 match—to protect more than 1.18 million acres of land. There are currently 120 active REPI partnerships across 35 states and territories.

[After 81 years, a Virginia military base sheds its Confederate name](#)

[DoD to offer tax-saving child care accounts, other benefits for troops \(Military Times\)](#)

Dependent care flexible spending accounts, which help defray the cost of child care by providing tax savings, are coming for active duty service members. The new benefit is one of six measures announced Wednesday by defense officials to address some needs in parental leave, child care, education and career advancement for military spouses. The memorandum, signed by Secretary of Defense Lloyd Austin, also expands eligibility for the popular My Career Advancement Account (MyCAA) financial assistance program, to include spouses of service members in paygrades E-6 and O-3. Until now, the program, which provides up to \$4,000 for obtaining a professional license, certificate or associate degree, was available to spouses of troops in paygrades E-1 to E-5, W-1 and W-2, and O-1 and O-2. Austin is also requiring improvements to the Exceptional Family Member Program within 90 days. The dependent care flexible spending accounts will allow service members to set aside up to \$5,000 in pretax income, through payroll deductions, for eligible dependent care expenses. Defense working groups are in the process of

developing procedures to implement those accounts, said Susan Mitchell, tax counsel for the Department of Defense and executive director of the Armed Forces Tax Council. Officials hope to implement these accounts for service members by this year's open season, which will start in mid-November. If it's not ready by then, there will be a special enrollment period so service members can sign up to contribute in the 2024 tax year, Mitchell said. The most recent DoD survey of active duty spouses found that 38% of all them who have children at home routinely use child care. Federal government employees, including DoD civilians, already have access to dependent care flexible spending accounts as do a number of private-sector employees. According to the Bureau of Labor Statistics, 43% of civilian workers had access to these accounts in 2021. A number of military family advocates have been asking for this benefit to help reduce the net cost of child care for military families, many of whom have long faced difficulties finding affordable, quality child care. The pandemic exacerbated the problem and has had lasting effects on availability.

[Two House panel chairs press Austin on whether personnel records were improperly released during the last election cycle](#)

[More than a third of US military veterans worry about health bills \(Stars and Stripes\)](#)

More than a third of U.S. military veterans under age 65 have concerns about their ability to pay medical bills, whether they get their coverage from private or government programs, according to a survey. About 13% of veterans had problems paying medical bills and over 8% had given up medical care altogether, according to the report from the National Center for Health Statistics. Those covered by private insurance were more likely to be worried about health costs than people who got care through the U.S. Department of Veterans Affairs or the Department of Defense's Tricare program, the report found. "For some people, that may be a surprising result that may be counterintuitive," said Robin Cohen, an NCHS statistician who helped write the study. Veterans' health has been a continuing source of controversy after critics charged in 2014 that some VA enrollees were unable to get timely appointments and attention for a variety of conditions. A February report from the Government Accountability Office, the investigative arm of Congress, found that although the VA health system had made progress, it still needs to address areas including caring for disabilities and securing patient data. Yet the study from NCHS, a division of the Centers for Disease Control and Prevention, indicated that despite its shortcomings, the government health programs appear to shield veterans from financial worries. U.S. adults with private health insurance coverage were less likely to be in families with issues paying medical bills than adults in other government health programs like Medicaid or Medicare, the study noted. The percentage of veterans using Tricare and VA health care more than doubled from 2000 to 2016, while reliance on private insurance dropped by about 16 percentage points over that same time period. Health care for veterans works differently than the broader U.S. healthcare system. For example, the Veterans Health Administration isn't like insurers that reimburse providers for a patient's health care costs. Instead, it runs medical centers and employs its own clinicians. Veterans who get benefits from the VA

also don't pay premiums or deductibles for VA care, though they may need to be responsible for copays. Tricare, meanwhile, is for uniformed service members, retirees and their families, and its plans generally have deductibles and copays. More than 9 million veterans are enrolled in VA health care, but some still prefer to use other providers, citing easier access to care and more timely appointments, according to the Wounded Warrior Project.

Homeland Security

[Homeland Security launches 'Operation Blue Lotus' to target fentanyl \(Washington Post\)](#)

The Department of Homeland Security said Tuesday it has intensified efforts to stop fentanyl trafficking across the country's southern border, launching "Operation Blue Lotus" with hundreds of U.S. agents and officers. The campaign will use new scanning technology, more drug-sniffing dogs and other detection tools to ramp up interdiction efforts and build criminal cases, officials said. Much of the effort will focus on ports of entry, the land border crossings where more than 90 percent of U.S. fentanyl seizures along the southern border have occurred since the start of the 2023 fiscal year on Oct. 1. Homeland Security Secretary Alejandro Mayorkas announced the campaign during a visit to the Mariposa Port of Entry in Nogales, Ariz., which has surpassed San Diego this year to become the busiest U.S. gateway for fentanyl smuggling. Traffickers stuff packages of cheaply produced, extremely potent fentanyl tablets into hidden vehicle compartments, hide them in loads of produce or duct-tape the drugs to the torsos of pedestrians and bus passengers. U.S. authorities are spending hundreds of millions of dollars to install powerful new scanning machines along the southern border, including two in Nogales, that will allow for a tenfold increase in the number of commercial vehicles they can screen. But fentanyl remains very difficult to detect. Its compact size makes it easy to conceal, and its low manufacturing cost allows traffickers to turn a profit despite losing some of their loads to seizures. "We are matching this unprecedented challenge with unprecedented solutions," Mayorkas said, calling fentanyl "the drug of death." Joined by Arizona Gov. Katie Hobbs (D), Mayorkas said the new operation will prioritize what he called "smart border security" and "take the fight to the cartels and the smuggling traffickers of this drug." More than 107,000 Americans died of drug overdoses in 2021, a record, and two-thirds of those deaths were caused by fentanyl, according to the most recent available data from the Centers for Disease Control and Prevention. President Biden's Republican critics blame his border policies for the crisis, saying U.S. authorities are too busy to stop illegal drugs from entering the United States because they're contending with record numbers of migrants.

[New fentanyl targeting operation already has stopped 900 pounds from entering US](#)

[US cyber officials make urgent push to warn businesses about vulnerabilities to hackers \(CNN\)](#)

US cybersecurity officials are unveiling a new program to warn critical American companies that their systems are vulnerable to ransomware attacks before the hackers can successfully strike. The new federal program – details of which were shared exclusively with CNN – is needed because “the pace and the impact of (ransomware) intrusions are still unacceptable,” said Eric Goldstein, a senior official at the US Cybersecurity and Infrastructure Security Agency. Ransomware attacks, like the 2021 incident that temporarily shut down one of America’s largest fuel pipelines, have disrupted key services important to American life and made the issue a national and economic security concern for the Biden administration. But federal officials and private researchers have sometimes struggled in recent years to get in touch with key organizations like hospitals or universities in the crucial window between when a hacker gains access to a network and when they lock up the network and demand a multimillion-dollar ransom. The new CISA program is trying to change that. So far in 2023, the agency claims it has notified about 60 organizations in key sectors like healthcare and water that they could fall victim to ransomware. Many were able to prevent their systems from being encrypted, Goldstein said. In other cases, he said, “we got there in time to help, but not in time to prevent (the hackers) from taking any action.” The program is straightforward and relies on backchannels between researchers, government officials and potential victims. Many of the early warning signs of a potential ransomware attack are public, such as a vulnerable computer at an organization that is exposed to the internet. CISA has an email tip line that outside cybersecurity experts can use to flag when they see such a vulnerability, and the agency then rushes to get in touch with the hacked organization before they get extorted. While the FBI has more than 50 field offices across the country, CISA generally has fewer personnel who can knock on doors in small towns and respond to security incidents. But the agency has hired more advisers outside of Washington, Goldstein said, who can “drop everything they’re doing, jump on the phone or even get in their car” to warn companies that they might be hit by ransomware. Personnel connections between feds and local companies or schools will be key if the program is to live up to its potential.

[Cyberterrorism tops list of threats to US vital interests](#)

[U.S. starts flying migrants caught crossing Canadian border south to Texas \(NBC News\)](#)

As migrants cross illegally into the U.S. from Canada at historically high levels, U.S. officials have begun flying migrants apprehended at the northern border south to Texas. To date, at least two flights — one on March 13 to Harlingen, Texas, and another on March 21 to El Paso — have departed from Plattsburgh, New York, carrying a total of 82 migrants expelled under the Covid ban known as Title 42, a Customs and Border Protection spokesperson told NBC News. The flights come as the number of illegal border crossings in the Swanton Sector of the U.S. border, which covers New Hampshire, Vermont and a portion of northern New York, has surged over the past five months to nearly 10 times its

level during the same time period last year, according to CBP data. From Oct. 1 to Feb. 28, about 2,000 migrants were apprehended crossing the border illegally in the Swanton Sector, compared to just 200 crossings in the same period the previous year. According to border officials and local law enforcement, most of the migrants crossing into the Swanton Sector are from Mexico. The two repatriation flights recorded in March contained only one migrant, a Colombian, who was not a Mexican national. NBC News previously reported on the growing number of Mexican migrants traveling to the northern border using visa-less flights from Cancun and Mexico City to Canada, and then crossing the land border into the U.S. on foot, often with the help of human smugglers or “coyotes.” Migrants of other nationalities, including Haitians and Guatemalans, have also attempted to make their way south into the U.S. from Canada.

Transportation & Infrastructure

[CISA Warns on Unpatched ICS Vulnerabilities Lurking in Critical Infrastructure \(Dark Reading\)](#)

The US Cybersecurity and Infrastructure Security Agency (CISA) this week issued advisories for a total of 49 vulnerabilities in eight industrial control systems (ICS) used by organizations in multiple critical infrastructure sectors — some unpatched. The need for organizations in critical infrastructure sectors to consider cybersecurity is growing. ICS and operational technology (OT) environments are no longer air-gapped, segmented as they once used to be, and are increasingly accessible over the Internet. The result is that both ICS and OT networks have become increasingly popular targets for both nation-state actors and financially motivated threat groups. That's unfortunate given that many of the vulnerabilities in CISA's advisory are remotely exploitable, involve low attack complexity, and allow attackers to take control of affected systems, manipulate and modify settings, escalate privileges, bypass security controls, steal data, and crash systems. The high-severity vulnerabilities are present in products from Siemens, Rockwell Automation, Hitachi, Delta Electronics, Keysight, and VISAM. The CISA advisory coincided with a report from the European Union on threats to the transportation sector that also warned about the potential for ransomware attacks on OT systems used by aviation, maritime, railway, and road transport agencies. At least some of the vulnerable systems in CISA's advisory pertain to organizations in the transportation sector as well. Seven of the 49 vulnerabilities in CISA's advisory are in Siemens' RUGGEDCOM APE1808 technology and currently have no fix. The vulnerabilities allow an attacker to elevate privileges on a compromised system, or to crash it. Organizations in multiple critical infrastructure sectors around the globe currently use the product to host commercial applications. Seventeen other flaws are present in various third-party components that are integrated into Siemens' Scalance W-700 devices. Organizations in multiple critical infrastructure sectors use the product including those in chemical, energy, food, and agriculture and manufacturing. Siemens has urged organizations using the product to update its software to v2.0 or later and to implement controls for protecting network access to the devices. Thirteen of the newly disclosed vulnerabilities affect Delta Electronic' InfraSuite Device Master, a

technology that organizations in the energy sector use to monitor the health of critical systems. Attackers can exploit the vulnerabilities to trigger denial-of-service conditions or to steal sensitive data that could be of use in a future attack. Other vendors in CISA's advisory, with multiple vulnerabilities in their products are Visam, whose Vbase Automation technology accounted for seven flaws and Rockwell Automaton with three flaws in its ThinManager product used in the critical manufacturing sector. Keysight had one vulnerability in its Keysight N6845A Geolocation Server for communications and government organizations and Hitachi updated information on a previously known vulnerability in its Energy GMS600, PWC600, and Relion products.

[The pressing threat of Chinese-made drones flying above U.S. critical infrastructure](#)

[Ryanair restarts talks with Boeing over new aircraft order \(Financial Times\)](#)

Ryanair chief executive Michael O'Leary said he was optimistic about striking a major new aircraft order after the low-cost airline restarted talks with Boeing in the latest sign of the revival in aviation. O'Leary said there was a "deal to be done" with negotiations between the Irish airline and Boeing in "the early stages" for a new order of Boeing 737 jets, 18 months after discussions collapsed over a disagreement on prices. "We are back talking to them, which I think is an indication there is some movement on pricing . . . I think there is a deal to be done," he told the Financial Times. He said the new multibillion-dollar order could be for the 737 Max 10, the largest airplane in the family of single-aisle aircraft, or for the smaller Max 8200. The potential boost for Boeing came as its chief executive Dave Calhoun told the FT he was optimistic the worst of the jet manufacturers' delivery problems was "in the rear-view mirror". The company, which declined to comment on the Ryanair talks, has experienced delays and setbacks in the delivery of its aircraft in the past two years because of production problems. Ryanair is one of Boeing's biggest and most important airline customers, and O'Leary has regularly criticized the manufacturer over prices and its record in delivering aircraft. O'Leary has accepted that the new planes will be more expensive than the "ridiculously low price" he paid for his most recent order, signed in the depths of the coronavirus pandemic when the industry was virtually grounded. Ryanair ordered 75 Max 8200 in December 2020, which analysts said would have come at a "screaming" discount, taking its total orders for the single-aisle plane to 210. O'Leary has since regularly chided Boeing for delays in the deliveries of these aircraft, but said the company has recently made "real strides" in clearing its backlog. "The supply chain is sorting itself out," he said.

[Buttigieg addresses teen drivers, truck parking at Senate hearing](#)

[US firm says Mexican authorities illegally seized its port terminal \(Reuters\)](#)

U.S. construction materials firm Vulcan Materials Co said on Monday that Mexican security forces illegally took possession last week of its port terminal in southern Mexico, as an extended legal battle over its nearby limestone mining activities plays out. The incident took place last Tuesday night at the terminal in the popular tourist hub of Playa del Carmen, and follows a five-year fight with the government over Vulcan's concessions punctuated by sharp criticism from the country's president last year. Vulcan, which markets crushed stone as well as asphalt and ready-mixed concrete, said in a statement on Sunday that workers from Mexican cement company Cemex accompanied the security forces last week as part of the takeover of their port terminal. "We are shocked in Cemex and in the Mexican government entities that supported this reckless and reprehensible armed seizure of our private property," Vulcan said in the statement. Vulcan declined to say how last week's action was illegal or who currently controls the terminal. The company also contends that a decision by the government last year to shut down its operations was illegal. Cemex on Monday defended its actions last week, saying they were backed by a local court and a recent order from state prosecutors. Cemex in a statement referred to its contract with a local Vulcan unit dating back two decades which it said allows it to use the terminal. The company added that an order from prosecutors granted it access to the port terminal premises, and that on March 14 authorities enforced it. This, Cemex said, followed what the company described as months of failed negotiations with the Vulcan unit. Mexico's security ministry did not reply to a request for comment. The Alabama-based firm has been unable to quarry and ship construction materials since the Mexican government shut down its operations last May over concerns of harmful impacts of underwater limestone mining on the local environment and water table. At the time, President Andres Manuel Lopez Obrador criticized the impacts as an "ecological catastrophe."

Biotechnology & Healthcare

[WHO warns over spread of Marburg virus after Tanzania deaths \(Financial Times\)](#)

The World Health Organization has urged African health authorities to step up monitoring and clinical care after Tanzania reported its first outbreak of the virulent Marburg virus. Marburg spreads to humans from fruit bats and is passed on through direct contact with the bodily fluids of infected patients. The disease is highly virulent, causing haemorrhagic fever and killing up to 88 per cent of those it infects. It belongs to the same family of viruses as Ebola, another deadly disease whose most severe outbreak occurred in several west African countries from 2013-16. Tedros Adhanom Ghebreyesus, the WHO's director-general, said on Thursday that eight Marburg cases had been reported in Tanzania, including five deaths. Nine cases have been confirmed in Equatorial Guinea after an outbreak was first reported in the west African country last month. The WHO was "leading trials of vaccines in the context of the emergency", he added. There are no vaccines or antivirals approved to treat the illness, with treatment focusing on the rehydration and clinical care of patients. Tanzania's Marburg outbreak involved 161 contacts. Its east

African neighbors Uganda and Kenya have enhanced border surveillance to help reduce transmission. Tanzania's health minister, Ummu Mwalimu, said her government had "managed to control the rate of the new infections of Marburg. So far it has not been reported anywhere else apart from the affected area." "We're determined to end the outbreak within the shortest period of time," she added. Abdirahman Mahamud, interim director of the WHO's alert and response coordination department, praised the countries' responses in dealing with the outbreaks, as the cases were located in remote regions. WHO said it assessed the risk posed by the outbreak as "very high" at the national level, "moderate" at the regional level and "low" at the global level.

[Moderna's gene therapy expansion picks up pace with \\$76M upfront Generation Bio collab](#)

[Deadly fungal infection spreading at an alarming rate, CDC says \(NBC News\)](#)

A drug-resistant and potentially deadly fungus has been spreading rapidly through U.S. health care facilities, a new government study finds. The fungus, a type of yeast called *Candida auris*, or *C. auris*, can cause severe illness in people with weakened immune systems. The number of people diagnosed with infections — as well as the number of those who were found through screening to be carrying *C. auris* — has been rising at an alarming rate since it was first reported in the U.S., researchers from the Centers for Disease Control and Prevention reported Monday. The increases, "especially in the most recent years, are really concerning to us," the study's lead author, Dr. Meghan Lyman, chief medical officer in the CDC's Mycotic Diseases Branch, said in an interview. "We've seen increases not just in areas of ongoing transmission, but also in new areas." The CDC's new warning, published in the *Annals of Internal Medicine*, comes as the Mississippi Department of Health is fighting a growing outbreak of the fungus. Since November, at least 12 people have been infected with *C. auris* with four "potentially associated deaths," the state's epidemiologist Dr. Paul Byers, said in an email. There has been ongoing transmission at two long-term care facilities, although cases have been identified at several other facilities in the state. "Unfortunately, multidrug resistant organisms such as *C. auris* have become more prevalent among our highest risk individuals, such as residents in long-term care facilities," Byers said. The fungus can be found on the skin and throughout the body, according to the CDC. It's not a threat to healthy people, but about one-third of people who become sick with *C. auris* die. In the CDC report, researchers analyzed state and local health department data on people sickened by the fungus from 2016 through Dec. 31, 2021, as well as those who were "colonized," meaning they were not ill but were carrying it on their bodies with the potential of transmitting it to others who might be more vulnerable to it.

[The \\$3 Tool That Makes Traveling Easier On Your Body](#)

[Death toll linked to contaminated eye drops rising as more report vision loss \(ABC News\)](#)

The death toll of an outbreak linked to contaminated recalled eye drops has risen and more people have lost their vision. According to an update issued by the Centers for Disease Control and Prevention on Tuesday, the number of deaths has risen from one -- which occurred in Washington state -- to three. What's more, at least eight people have gone blind and four people have had their eyeballs surgically removed. The CDC did not provide any information in its update about the affected patients including names, ages, sexes or where they live. More than 10 different brands of artificial tears have been recalled. Most cases have been linked to EzriCare and Delsam Pharma eye drops, made by India-based Global Pharma Healthcare. According to the CDC, the eye drops were contaminated with an antibiotic-resistant form of *Pseudomonas aeruginosa*, an aggressive bacterium. *Pseudomonas* are a type of bacteria found in the environment, with *P. aeruginosa* being the most common to cause infections in humans. The infection is common in health care settings and spreads from improper hygiene either due to unclean hands or medical equipment and surfaces not being properly cleaned. The strain that has been linked to the outbreak, however, had never been reported in the United States before, the CDC stated in its update.

Climate & Development

[Big Oil Eyes New Deals in North Africa Amid Rising Energy Demand \(WSJ\)](#)

After years of underinvestment in North Africa's energy infrastructure, global oil-and-gas giants from Halliburton Co. and Chevron Corp. to Eni SpA are ramping up their presence in the region as demand from Europe grows. Executives in the industry are betting it is worth drilling again in some of the hardest places to do business in the world as Europe increasingly turns to other sources for its energy needs after shunning its main supplier, Russia, over the invasion of Ukraine. In recent months, a string of European officials have visited the region to help advance talks over potential supply deals. Halliburton and Honeywell International Inc. are hammering out \$1.4 billion worth of deals to develop an oil field and refinery with National Oil Corporation in Libya, which has the largest known oil reserves in Africa, according to the chairman of state-owned firm, Farhat Bengdara. Italy's Eni is planning investments aimed at replacing nearly half of the gas it was importing from Russia with gas from Algeria. Chevron is also looking to seal an energy exploration deal in Algeria, The Wall Street Journal reported last month. In January, the U.S. oil major announced a sizable natural-gas discovery in Egypt. "North Africa has been slow to develop its potential because of political risks, either related to insecurity or bureaucracy," said Geoff Porter, president of U.S.-based North Africa Risk Consulting Inc. But with

Europe needing to replace Russian energy, “this is their moment,” he said. Western oil executives say they see a more stable political climate in North Africa, especially in countries such as Libya where fighting between local militias has been subdued in the past two years following nearly a decade of civil war. Many American firms had pulled back from the region, viewing it as politically too risky, to focus on shale production at home. The region’s proximity to Europe and massive reserves, with Algeria holding the third-largest recoverable shale resources in the world, also make doing business there worth the risk, they say. At the same time, state-owned firms in the North African region have been eager to strike deals, as they see an opportunity to fill a gap left by Russia and take advantage of higher global commodity prices. Some countries, such as Egypt, are eager to bring in additional revenue from selling energy, as their economies struggle with higher import costs including for food. The Ukraine war has disrupted shipments and pushed up global commodity prices.

[Solar power: Europe attempts to get out of China’s shadow](#)

[US regulator vows ‘aggressive’ crackdown on oil and gas methane leaks \(Financial Times\)](#)

The US’s top environmental enforcer vowed that no oil and gas systems would be “getting out of jail free” as the Biden administration strengthens a clampdown on methane pollution despite pushback from energy companies and Republican allies in Congress. The Biden administration has made curbs on leaks of methane, the main component of natural gas, a crucial part of its fight to slash greenhouse gas emissions. Methane has accounted for about 30 percent of the rise in global temperatures since the Industrial Revolution, according to the International Energy Agency. Michael Regan, administrator of the Environmental Protection Agency, said the administration was ready to “fight hard” against efforts to weaken new regulations to control methane emitted from oil and gas infrastructure. “There are no facilities that are getting out of jail free,” Regan told the Financial Times in an interview. “We’ve designed a very aggressive rule to ensure that everyone that’s contributing to this problem has some full accounting for that.” US oil and gas systems account for about a third of the country’s methane emissions, through leaks, ineffective flaring — the burning of excess gas — and deliberate releases into the atmosphere. The EPA is finalizing a new rule that will force energy companies to find and plug methane leaks at new and existing wellheads, pipeline compressor stations and other sites. The agency is also planning to charge emitters up to \$1,500 a tonne — the first nationwide fee on a greenhouse gas — as required by last year’s sweeping climate law, the Inflation Reduction Act. The latest proposals come after the EPA was criticized for going too soft on the sector in an earlier version of regulations published in 2021. Companies needed to “step up and do more”, Regan said. “There was a time when we had trouble chasing these emissions. We’re beyond that.” Many in the oil and gas industry have fought back, saying the new measures will add to costs just as President Joe Biden has called for them to drill more wells. They also say that a “Super-Emitter Response Program” incorporated into the pending rule, which would allow private groups to monitor and report leaks, will hand undue power to environmental activists. “My message to EPA

would be to work with industry to correct some of these sharp left turns that we see in the rule to ensure that the final rule is appropriately stringent, but also appropriately workable,” said Anne Bradbury, chief executive of the American Exploration and Production Council, an industry group. A bill put forward by Republicans in the House of Representatives last month aims to strip the per-tonne methane fee out of the IRA, though the proposal is unlikely to garner sufficient Senate support to become law.

[In Green Hydrogen Race With the U.S., Europe Is Hobbled](#)

[Biden releases plan to harness ocean's power to fight climate crisis \(USA Today\)](#)

President Joe Biden released a first-of-its-kind U.S. Ocean Climate Action Plan on Tuesday, which he said will “harness the tremendous power of the ocean to help in our fight against the climate crisis.” Speaking at the White House Conservation in Action Summit, Biden said: “We can reduce emissions by building offshore wind farms, better protect our coastal and fishing communities from worsening storms, changing fisheries and other impacts on climate change.” Ocean advocates say it comes not a minute too soon. By absorbing more than 90% of the Earth's warming in recent decades, the ocean is “already playing an enormous role in the climate crisis,” said Lara Levison, senior director of federal policy for the ocean conservation group Oceana. “Ocean policy is often overlooked in discussions of climate action and climate solutions,” Levison said. “There’s so much emphasis on what’s happening on land and not nearly enough focus on the ocean.” The Ocean Policy Committee — a White House-level group assigned to manage the environmental and economic health of the ocean — created the plan.

Next Week’s Hearings

Armed Service Committees

House:

Tuesday, March 28, 2023, 10:00 AM EDT: ["Posture and Readiness of the Mobility Enterprise"](#)

Wednesday, March 29, 2023, 10:00 AM EDT: ["FY24 Defense Budget Hearing"](#)

Wednesday, March 29, 2023, 3:00 PM EDT: ["MILDEP Personnel Chiefs; Personnel Posture"](#)

Wednesday, March 29, 2023, 3:30 PM EDT: ["FY24 DoD Budget Request for Fixed-Wing Tactical and Training Programs"](#)

Senate:

Tuesday, March 28, 2023, 9:30 AM EDT: ["Hearings to Examine the President's Proposed FY24 DoD Budget Request and the FYDP"](#)

Tuesday, March 28, 2023, 2:30 PM EDT: ["Hearings to Examine Navy and Marine Corps Investment Programs"](#)

Tuesday, March 28, 2023, 4:45 PM EDT: ["Hearings to Examine Regional Nuclear Deterrence"](#)

Wednesday, March 29, 2023, 9:30 AM EDT: ["Hearings to Examine Enterprise Cybersecurity to Protect DoD Information Networks"](#)

Thursday, March 30, 2023, 9:30 AM EDT: ["Hearings to Examine the Posture of the Army"](#)

Appropriations Committees

House:

Tuesday, March 28, 2023, 10:00 AM EDT: ["FY24 Request for the Air Force and Space Force"](#)

Tuesday, March 28, 2023, 10:00 AM EDT: ["FY24 Request for CISA"](#)

Tuesday, March 28, 2023, 2:00 PM EDT: ["FY24 Request for the Army"](#)

Wednesday, March 29, 2023, 10:00 AM EDT: ["FY24 Request for the Navy and Marine Corps"](#)

Wednesday, March 29, 2023, 10:00 AM EDT: ["FY24 Request for the DHS"](#)

Wednesday, March 29, 2023, 10:00 AM EDT: ["FY24 Request for the Department of Veterans' Affairs"](#)

Senate:

Tuesday, March 28, 2023, 10:00 AM EDT: ["Hearings to Examine Proposed Budget Estimates and Justifications for the Navy and Marine Corps"](#)

Homeland Security Committees

House:

Tuesday, March 28, 2023, 10:00 AM EDT: ["Biden's Growing Border Crisis: Death, Drugs, and Disorder on the Northern Border"](#)

Senate: None Listed

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VIA ELECTRONIC MAIL

March 23, 2023

The Honorable Janet D. Howell
Co-Chair
Senate Finance and Appropriations Committee
P.O. Box 2608
Reston, Virginia 20195-0608

The Honorable George L. Barker
Co-Chair
Senate Finance and Appropriations Committee
P.O. Box 10527
Alexandria, Virginia 22310

The Honorable Barry D. Knight
Chairman
House Appropriations Committee
1852 Mill Landing Road
Virginia Beach, Virginia 23457

Dear Co-Chair Howell, Co-Chair Barker, and Chairman Knight:

I write on behalf of the Virginia Association of Counties to extend our appreciation for your hard work in developing budget proposals that incorporate key county priorities in areas such as K-12 education, behavioral health and social services, public safety, environmental quality, and elections administration, among other important investments. We thank you for taking timely action to address the error in the Department of Education's calculation tool for FY 2023; without this additional state aid, many school divisions would have been forced to turn to local governments for additional funds or to impose budget reductions in the current fiscal year. We encourage you and your colleagues on the budget conference committee to continue your efforts to develop a full array of amendments to the biennium budget that will make important investments in strengthening the state-local partnership.

We were pleased to see significant resources for local governments incorporated in both budget proposals, including items requested by VACo, and we are hopeful that a final agreement will include these investments in county priorities. Key items we support include the following:

- Elimination of the cap on recognition of support positions in the Standards of Quality, a longstanding priority for our Association.
- Additional tools and funding support for school capital needs, including flexibility in the School Construction Assistance Program to allow more projects to qualify for funding; authority for all counties and cities to exercise the option previously granted to some localities to impose an additional 1 percent sales and use tax for school capital needs after approval in a referendum; and additional state funding for the School Construction Grants Program.
- Funding for instructional assistants, which would provide state support for vital positions that enhance teachers' effectiveness by providing extra help and attention to students.
- Critical investments in the state's behavioral health system that were proposed by the Governor, as well as the supplemental funding in the House and Senate budgets for Community Services Board staff salary adjustments, additional crisis stabilization units and crisis receiving centers, inflation adjustments for STEP-VA services, and planned renovation of portions of Catawba Hospital. We also support proposed language

directing the Department of Behavioral Health and Developmental Services to develop and implement a plan to restore bed capacity in the state hospital system.

- An increase in the local-responsible jail per diem rate, building on last year's increase to the state-responsible rate.
- Additional funding to reimburse localities for the costs associated with the 2024 Presidential primary in order to account for inflation, growth in the number of registered voters, and the increasing complexity of election administration since the most recent Presidential primary.
- Funding to support staff positions in the offices of Treasurers and Commissioners of the Revenue that are currently recognized under Compensation Board staffing standards but not funded by the state.
- Assistance to localities in meeting water quality standards through funding for the Stormwater Local Assistance Program, as well as the proposed funding for the Enhanced Nutrient Removal Certainty Program included in the introduced budget.
- Funding for the HB 599 program to support public safety needs in accordance with statute.
- Assistance to local departments of social services with the redetermination of Medicaid eligibility after the expiration of the federal Public Health Emergency.

We appreciate your consideration of our requests, and we encourage you and your colleagues to continue to work together on a budget that takes advantage of the opportunities afforded by Virginia's strong financial position to invest in our shared priorities. We hope that your staff will not hesitate to contact us if we may be of assistance to you in any way.

Sincerely,



Dean A. Lynch, CAE
Executive Director

cc: The Honorable Terry L. Austin
The Honorable Robert S. Bloxom, Jr.
The Honorable Emily M. Brewer
The Honorable Luke E. Torian
The Honorable Mark D. Sickles
The Honorable Richard L. Saslaw
The Honorable Thomas K. Norment, Jr.
The Honorable Emmett W. Hanger, Jr.
The Honorable L. Louise Lucas
The Honorable Stephen D. Newman
The Honorable Mamie E. Locke
The Honorable R. Creigh Deeds
April Kees, Staff Director, Senate Finance and Appropriations Committee
Anne Oman, Staff Director, House Appropriations Committee