

Washington Update

COUNTY OF SANTA BARBARA

November 4, 2010

LAME DUCK SESSION OF CONGRESS

Congress is scheduled to return for a Lame Duck session on November 15. While the results of the November 2 elections and the changes in power were largely anticipated, it is still unclear as to how much will be undertaken and/or accomplished in the session. Priorities include: completion of the FY 2011 appropriations process; extension of Bush-era tax cuts that are scheduled to expire on December 31; a tax-extenders bill to continue certain annual tax breaks for businesses and industries; and legislation to defer a scheduled 23% cut in Medicare rates for doctors. Congress may also attempt to complete reauthorization of child nutrition programs and the Federal Aviation Administration, and there is some talk of attempting to pass scaled-back energy legislation. However, Lame Duck sessions following a shift in power traditionally are not very productive, and it is likely that any action that takes place will be in the context of a single, omnibus bill.

FY 2011 APPROPRIATIONS PROCESS

Completion of the FY 2011 appropriations process is of course of paramount importance to the County, both on the programmatic and project levels. The following funding levels have been included for County projects in the bills drafted so far:

- \$250,000 for Lower Mission Creek;
- \$450,000 for the Lompoc Veteran's Building; and
- \$650,000 for the Highway 101 Carpenteria Creek Bridge project.

A variety of options for completion of the FY 2011 funding bills are being considered by Congressional leaders, with no decisions made so far. These include:

- Completion of all 12 FY 2011 funding bills by rolling them into one or more omnibus appropriations measures;

- Approval of a short term Continuing Resolution (CR) that would fund Federal agencies and programs at the FY 2010 level early into next year, and defer final decisions to the new Congress; and
- Approval of a year-long CR to fund Federal programs at last year's level for the remainder of FY 2011.

TANF JOBS FUNDING

We continued to advocate in support of efforts to extend the TANF Emergency Contingency Fund (ECF), citing the County's use of the funds to move several hundred workers into employment. Senator Kerry's (D-MA) attempt to attach a one-year, \$2.5 billion extension of the program to the Continuing Resolution was blocked because the provision could not reach the 60-vote threshold to end debate, as were attempts to bring a smaller, three-month extension to the Senate floor. The House has approved the proposal twice, and efforts will be made to extend TANF ECF during the Lame Duck session after the elections.

ENERGY EFFICIENCY PROGRAMS

We joined other State and local government stakeholders in reiterating support for legislation to reverse Federal Housing Finance Agency (FHFA) regulations that will not allow residential property owners with Fannie Mae and Freddie Mac mortgages to participate in Property Assessed Clean Energy (PACE) programs, emphasizing the disastrous impact this would have on AB 811-related efforts in the County. In the House, Congressman Thompson (D-CA) introduced H.R. 5766, the *PACE Assessment Protection Act*, to resolve the issue, and Senator Boxer has introduced a companion bill as S. 3642. It is as yet unclear whether action will be taken on either bill during the Lame Duck session. However, with Republicans in control of the House next year, it is expected that Fannie Mae and

Freddie Mac will come under increased scrutiny in the 112th Congress.

FLOOD INSURANCE

We previously discussed action on legislation to extend the authority for the National Flood Insurance Program (NFIP). Prior to the recess, we urged the Senate Committee on Banking, Housing, and Urban Affairs to take up legislation to reauthorize and reform the NFIP and reiterated the importance of the issue to Senators Boxer and Feinstein. In July, the House previously approved H.R. 5114, the *Flood Insurance Reform Priorities Act of 2010*, which would extend the authority for NFIP through September 30, 2015, as well as implementing certain reforms, including provisions to delay for five years the effective date of mandatory purchase requirement for new flood hazard areas for 5 years, and a 5 year phasing-in of rates for newly mapped areas. While the committee held a hearing on NFIP on September 22, companion legislation to H.R. 5114 has not been introduced, and several Republican senators, including Committee Ranking Member Shelby (R-AL) have expressed concerns with the program. Before recessing, Congress approved a one year extension of the current program to allow more time for action on reauthorization, but it is doubtful that it will take place this year.

LEVEE VEGETATION CLEARANCE

We have maintained close contact with Congresswoman Capps' staff regarding concerns over the Army Corps of Engineers' proposed guidelines regarding the clearance of trees and shrubs along levees. Unfortunately, those guidelines place local flood control agencies such as the County in difficult positions, potentially caught between Corps requirements and State and Federal environmental laws. We are joining with other stakeholders to convince the Corps to modify their "blanket" nationwide policy to take into account regional and local circumstances. The Corps recently announced that the final vegetation variance policy, originally scheduled to be released in October, would be delayed until a review of a vegetation

research study is completed at the end of the calendar year.

ANTI-METHAMPHETAMINE RESOURCES

We have continued to support efforts to provide additional Federal resources for interdiction, prevention, and treatment strategies targeting the methamphetamine epidemic. Just before Congress recessed at the end of September, both the House and Senate approved Congressman Gordon's (D-TN) H.R. 2923, the *Combat Methamphetamine Enhancement Act*, and we provided County staff with the House Energy and Commerce's analysis of the bill to determine possible impacts on local anti-meth efforts. The measure is aimed primarily at making it more difficult for producers to get precursor chemicals by tightening certification requirements of purchase of the chemicals. President Obama signed H.R. 2923 into law on October 12.

FUNDING FOR HEALTH IT

We contacted Chairman Waxman (D-CA) and members of the House Energy and Commerce Committee on behalf of the County to urge them to take action during the Lame Duck session on Congressman Kratochvil's (D-MD) H.R. 6348, which would enable Community Health Centers to receive directly Health IT incentive payments authorized by the American Recovery and Reinvestment Act (ARRA). Under regulations issued by the Department of Health and Human Services, the payments would go directly to participating physicians, requiring the County's Community Health Centers to renegotiate their contracts with providers in order to access the funding for adoption and use of electronic medical records. Unfortunately, Congressman Kratochvil lost his bid for re-election and the status of the legislation is in limbo.

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