

Washington Update

COUNTY OF SANTA BARBARA

April 27, 2011

FUNDING FOR REMAINDER OF FY 2011

Just prior to the beginning of the Spring Congressional Recess, an agreement was finally reached on the *FY 2011 Full Year Continuing Resolution (CR) Act* in negotiations that included President Obama, House Republican Leadership, and Senate Democratic Leadership. The legislation to provide funding through the remainder of this fiscal year provides \$39.9 billion less in funding than in FY 2010, and includes a .02% across the board cut in addition to numerous substantial and significant cuts in targeted programs. We have provided summaries of the final funding levels for the programs of significance to County staff for analysis, but in many instances the reductions were broadly stated and individual Federal agencies have been given 30 days to determine how those cuts will be implemented.

FY 2012 BUDGET PROCESS

With the FY 2011 funding resolved, the FY 2012 appropriations process is expected to begin to move when Congress returns on May 3 from the two-week Easter/Passover Recess. Traditionally the next step is for Congress to draft a non-binding budget resolution to guide the process and provide broad parameters on spending legislation. House Republicans laid out their FY 2012 priorities in the Budget Resolution adopted on April 15. Under the House Resolution, Federal non-defense discretionary spending would be cut by another \$30 billion in FY 2012. This overall total will eventually be translated into specific spending allocations for each of the twelve House Appropriations Subcommittees, who in turn are responsible for drafting the respective appropriations bills.

Theoretically, work on the appropriations bills is not supposed to begin until both the House and Senate have adopted a common Budget Resolution. However, prospects for considering and adopting a final measure remains uncertain. The Senate is expected to rely

much less on spending reductions, making it difficult to come to a compromise. If so, it is expected that House leadership will use parliamentary maneuvers to enable work on appropriations bills to begin, as they are eager to re-establish a regular order to the process after the chaos of the last few years.

DEBT LIMIT AND DEFICIT COMMISSION

An additional complication in the ongoing budget saga is that the Federal Debt Limit must be increased sometime in early summer. Congress has never refused to increase the debt limit, and any delays would have significant economic impacts. Republicans are using this as the next opportunity to leverage reductions in Federal non-defense discretionary spending. A significant number of House Republicans have indicated that they will not vote to increase the limit unless their spending restrictions are included.

To deal with the issue, President Obama has appointed Vice President Biden to lead a new deficit commission with the goal of resolving the underlying budget issues by June. This working group, which includes members of Congress appointed by House and Senate Leadership, is scheduled to begin work on May 5 and meet throughout May.

MARINE VESSEL EMISSIONS

Early in April Congresswoman Capps' office provided us with a draft version of the House Energy and Commerce Committee's *Jobs and Energy Permitting Act*, and requested feedback from the County on its impacts. We worked with APCD Director Terry Dressler to develop an analysis of the bill, and arranged a conference call with Mr. Dressler, Congresswoman Capps' Legislative Director, and Energy and Commerce Committee staff to discuss the County's concerns that the legislation would weaken air quality regulations governing marine vessel emissions. We also followed up with letters to the committee on behalf of the County reiterating those con-

cerns. The committee held a hearing on the *Jobs and Energy Permitting Act* on April 13 but further action has not yet been scheduled.

SAFETEA-LU REAUTHORIZATION

As Congress moves forward on the overhaul of surface transportation programs, we continue to advocate the County's priorities regarding SAFETEA-LU reauthorization, including funding for the Off-System Bridge Program and maximum support for pavement preservation efforts. We have met several times with both the House and Senate committees of jurisdiction over reauthorization, and have been told that both the House and Senate still anticipate drafting bills before Memorial Day. However, the approach to individual projects remains unclear. At this point projects will definitely not be included in any House bill under its current earmark moratorium, but Senate Environment and Public Works Committee Chairman Boxer has not yet announced her intentions.

COASTAL ISSUES

Following discussions with Congresswoman Capp's staff, we contacted the House Natural Resources Committee and House Majority and Minority leadership to regarding H.R. 1231, the *Reversing President Obama's Off-shore Moratorium Act*. The bill's provisions would open the Southern California coast to new offshore oil leasing, and we cited the County's concerns with potential impacts on air and water quality and marine resources. The committee approved H.R. 1231 on April 13 and it is currently pending the committee's report to accompany its action. Subsequently, Congresswoman Capps introduced H.R. 1597, the *California Ocean and Coastal Protection Act*, which would permanently prohibit oil and gas leasing off the Coast of Southern California.

INDIAN LAND INTO TRUST

We are monitoring Congressional action regarding Indian land into trust, and have provided County staff with legislation addressing this issue. Several of these bills address the *Carcieri v. Salazar* Supreme Court case, in which the Court held that the authority of the Secretary of Interior to take land into trust for tribes under the Indian Reorganization Act extends only to those tribes under federal jurisdiction when the law was enacted in 1934. On April 7, the Senate Indian Affairs Committee approved Chairman Akaka's S. 676, which would reaffirm the authority of the Secretary to take land into trust for tribes.

Unrelated to the *Carcieri* decision, Senator Feinstein has introduced S. 771, the *Tribal Gaming Eligibility Act*, which would require that Indian tribes demonstrate both an aboriginal and a modern connection to land taken into trust before it can be used for gaming. In her introductory comments, Senator Feinstein stated that the bill responds to growing concerns about off-reservation casinos proposals in California and "unbridled reservation shopping."

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