

# Washington Update

COUNTY OF SANTA BARBARA

October 26, 2012

## LAME DUCK SESSION - FISCAL CLIFF

As previously discussed, Congress will return at an undetermined date after the November 6 elections for a Lame Duck session. The primary focus – perhaps the *only* focus – will be to address the impending “fiscal cliff” resulting from the nearly simultaneous imposition of across the board cuts (sequestration) in Federal spending mandated by the 2011 Budget Control Act and the expiration of Bush era tax cuts. Sequestration was never intended to be implemented, but rather was meant to be a “stick” over the head of Congress to force action on budget cuts. But the failure to do so means that something must be done to avoid indiscriminate cuts. The most likely scenario being promoted at this point would be action on a deficit reduction framework of spending cuts and “revenue” sources that would forestall the cliff, with the details filled in by the new Congress early in 2013. The outcome is still highly speculative at this point, and the outcome of the elections will most certainly be a factor.

## OLDER AMERICANS ACT

Throughout the year we have reiterated support for legislation to reauthorize the Older Americans Act (OAA), citing the critical services provided to the elderly in the County under its provisions. Authorization for the Act technically expired September 30, although most programs have continued to receive funding through the appropriations process via the FY 2013 Continuing Resolution. Just before Congress recessed on September 21, Senator Sanders (I-VT), Chairman of the Senate Health, Education, Labor and Pensions Subcommittee on Primary Health and Aging, introduced OAA reauthorization legislation as S. 3562. The bill has 15 original cosponsors, including Senator Boxer. While action on the proposal could conceivably take place during the Lame Duck session, it is more likely a template for legislation to be introduced in the new Congress.

## IMMIGRATION IMPACTS - SCAAP

On October 15, the U.S. Department of Justice’s Bureau of Justice Assistance (BJA) announced funding levels under the FY 2012 State Criminal Alien Assistance Program (SCAAP) to reimburse State and local jurisdictions for costs associated with the incarceration of illegal alien criminals. We were informed by BJA that the County of Santa Barbara will receive \$359,289 in FY 2012 funding under the program. BJA will notify the County by email when the funding is ready for drawdown, which is expected to be within the next week.

## TAXATION OF INTERNET RETAILERS

We provided County staff with the House and Senate versions of the *Marketplace Equity Act*, which would overturn a 1992 Supreme Court decision and allow States to tax online retailers outside their borders. We also provided testimony from House Judiciary Committee and Senate Commerce Committee hearings on the proposal. Introduced by Congressman Womack (R-AR) as H.R. 3179 and Senator Enzi (R-WY) as S. 1832, the legislation has bipartisan support and there could be the opportunity for the measures to move forward in the Lame Duck session.

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