

**AGENDA**

**ITEM**

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# Washington Update

COUNTY OF SANTA BARBARA

January 3, 2013

## LAME DUCK SESSION - FISCAL CLIFF

Throughout the year we worked with NACo and other stakeholders to advocate the interests of counties and other local agencies regarding any negotiations to resolve the Fiscal Cliff crisis, emphasizing the potential impacts on the County's fiscal stability and delivery of services to local residents. When Congress returned for its Lame Duck session after the November elections, we re-doubled those efforts, including participating in separate conference calls with Vice President Biden and Will Kinzel, Senior Advisor to Speaker Boehner. The political drama leading up to the ultimate disarming of the immediate Fiscal Cliff crisis on New Year's Day was well-documented by the media. While resolving certain aspects of the crisis relating to revenues, the final agreement deferred action on sequestration by pushing the deadline for the cuts to March. If a subsequent agreement is not reached, the effects of sequestration will be magnified for FY 2013 because they will be concentrated into the final six months of the Fiscal Year.

## LAME DUCK SESSION – OTHER ISSUES

Leading into the lame Duck session, there was considerable speculation regarding other issues and legislative initiatives that could potentially be addressed in a "grand bargain" agreement on the Fiscal Cliff. While the grand bargain itself did not materialize, Congress did take action on a couple of issues of significance to the County. Throughout the year we had been lobbying in support for legislation to reauthorize the Assistance to Firefighter (AFG) and Staffing for Adequate Fire and Emergency Response Grants (SAFER) grants. The year-end conference agreement on the National Defense Authorization Act for FY 2013 signed into law by President Obama on December 30 included provisions from S. 550, the *Fire Grants Reauthorization Act*, that reauthorize these programs through 2017, with adjustments for inflation. The provisions also

reduce and simplify local match requirements, and provide flexibility to waive certain requirements for applicants that demonstrate economic hardship. In September, the Santa Barbara County Fire Department was awarded \$599,870 under the FY 2012 AFG Program.

While there was significant lobbying to include a Farm Bill in the final agreement on Fiscal Cliff – particularly since it would have provided \$23-38 billion in deficit reduction – there was not sufficient time to reach any final agreement. Instead, the final compromise extends existing authority for most Agriculture programs through September 2013.

## 113<sup>TH</sup> CONGRESS - ISSUES

The 113<sup>th</sup> Congress was sworn in on January 3, and while the Fiscal Cliff was averted by its predecessors literally at the final hour, the spending side of the Federal deficit crisis must be addressed in the first three months of 2013 by the new Congress. Specifically, they must deal with the new deadline for sequestration, the March 31 expiration of the FY 2013 Continuing Resolution, and the increase in the Federal debt limit.

Beyond fiscal issues, comprehensive immigration reform is expected to be one of the most significant issues in 2013. In December we joined NACo legislative staff in meeting with Jay Williams, new White House Deputy Director for Intergovernmental Affairs, and Mr. Williams highlighted immigration reform and implementation of the Affordable Care Act as President Obama's highest priorities. In addition, Congress will attempt to address the authorization or reauthorization of a variety of programs of significance to the County, including: TANF; the Workforce Investment Act; the Farm Bill; the Violence Against Women Act; Water Resources Development legislation; and the Older Americans Act.