

# Washington Update

COUNTY OF SANTA BARBARA

March 7, 2013

## SEQUESTRATION

We joined NACo and other public sector advocates in expressing concerns regarding the potential impacts of the impending sequestration cuts on local responsibilities and provision of services. We contacted members of the County's and State's Congressional delegations to apprise them of the broad spectrum of programs that would be affected, ranging from public health and safety to community and economic development, job training, and services to protect the elderly. Despite the broad opposition to and lobbying against sequestration, no Congressional action took place prior to March 1, and the process has now begun, although there will be a ramping up period over which the effects will be manifested. The next fiscal crisis point is the expiration of the FY 2013 Continuing Resolution (CR) currently funding Federal programs and agencies through March 27, and efforts are being made to obviate some if not all of the impacts of the sequester in the proposals to fund the government through the remainder of FY 2013. Yesterday, March 6, the House approved H.R. 933, the *Full Year Continuing Appropriations Act*. The measure would effectively entrench the sequester cuts for the current fiscal year, but gives military-related programs some leeway to soften the blunt impact of the sequester by combining the CR with actual appropriations bill language for Defense, Military Construction, and Veterans Affairs programs. In the Senate, however, Appropriations Committee Chairwoman Mikulski (D-MD) is leading the charge to expand that approach by effectively doing individual appropriations bills for several other agencies that would then be attached to the CR, which would continue funding for the remaining programs at the FY 2012 level, adjusted for sequestration. Candidates for separate consideration in the Senate bill include Agriculture; Commerce, Justice and Science; Homeland Security; and possibly Transportation-Housing & Urban Develop-

ment (HUD). To pass muster with House Republicans, the overall cap on FY 2013 in the Senate measure would have to be similar to the \$984 billion total approved in H.R. 933. Majority Leader Reid (D-NV) has indicated that the Senate will begin work on its package on Monday, March 11.

## MUNI BOND TAX EXEMPTION REPEAL

We are closely monitoring proposals that could lead to the repeal of the tax-exempt status of municipal bonds as part of ongoing Congressional discussions on deficit reduction through reform of the tax code. We are also working with staff to estimate the potential impact on Santa Barbara County. NACo recently joined the National League of Cities and the Conference of Mayors in releasing a report entitled, *Protecting Bonds to Save Infrastructure and Jobs*, which argues that State and local governments have financed over \$1.65 trillion in infrastructure investment over the last decade using the bonds. This has included schools, hospitals, water infrastructure, sewer facilities, public power utilities, roads and mass transit. Critics on both sides of the aisle have estimated that the tax-exempt bonds cost the U.S. Treasury about \$40 billion annually, but the report makes the argument that this is offset by the jobs created and projects completed.

## WORKFORCE INVESTMENT

We contacted the House and Senate committees of jurisdiction to reiterate the County's support for the Workforce Investment Act (WIA) and provided them with a white paper addressing specific proposals from your Board's 2013 Legislative Platform, including: program enhancements that strengthen local governance; improvement of partner program investment for coordinated services through local One-Stop systems; and enhancement of flexibility in the uses of funds for services to employed workers and youth jobs programs. We also met with staff from the House Education and the Workforce Subcommittee on

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Higher Education and Workforce Training to discuss WIA reauthorization and the committee's plans for the 113<sup>th</sup> Congress. Late in February, Subcommittee Chairwoman Foxx (R-NC) introduced H.R. 803, the *Supporting Knowledge and Investing in Lifelong Skills (SKILLS) Act*. The proposal is similar to legislation sponsored by Chairwoman Foxx last year as the *Workforce Investment Improvement Act*, which was approved at the committee level but never considered by the full House. The subcommittee held a hearing on the proposal on February 26, and yesterday, March 7, it was marked up and approved by the full committee. The full House may take up H.R. 803 the week of March 11. In the Senate, the Health, Education, Labor and Pensions (HELP) Committee has not yet scheduled hearings on WIA reauthorization.

**VIOLENCE AGAINST WOMEN ACT**

We contacted the Senate Judiciary Committee and Senators Boxer and Feinstein to advocate in support of legislation to reauthorize the Violence Against Women Act (VAWA), citing the resources and training the Act has provided, as well as the ongoing need for those resources. On February 12, the full Senate approved Judiciary Committee Chairman Leahy's (D-VT) S. 47, the *Violence Against Women Reauthorization Act of 2013*, by a broadly bipartisan vote of 78-22, with Senators Boxer and Feinstein both signing on as cosponsors of the legislation. The measure is very similar to legislation approved by the Senate in the 112<sup>th</sup> Congress, which stalled late last year in conference negotiations with the House. While contentious language relating to expanding the availability of visas to illegal immigrants that are victims of domestic abuse included in that version was dropped, a successful floor amendment by Chairman Leahy added broad provisions to the bill related to human trafficking.

Following the passage of S. 47, we urged the House Judiciary Committee and House Leadership to expedite passage of similar legislation. While companion legislation to S. 47 has been introduced in the House as HR. 11 by Congresswoman Gwen Moore (D-WI), House Speaker Boehner (R-OH) announced that the full House would take up VAWA legislation similar to a proposal approved by the House last year on partisan lines. Subsequently bowing to considerable pressure – including from within his own caucus – the Speaker agreed to a vote on the Senate-passed bill in addition to the House version. With considerable support from Republicans, the House bill failed and S. 47 was approved, avoiding the confrontation between the two chambers that scuttled VAWA reauthorization last year. S. 47 was sent to President Obama for his signature on March 4 and he is expected to sign it into law.

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