

FEDERAL UPDATE

With the presidential election only 7 months away, politics in Washington, D.C. is becoming more and more polarized. But there is still a short time period before the election brings everything to a complete halt, and cities have a lot at stake during that time. Below is a short update on some of the more prominent issues that impact cities. Cities can find the League Federal Priorities, letters, and issue papers at www.cacities.org/federal.

Webinar: The League will hold a webinar covering the federal transportation reauthorization and federal appropriations on Thursday, April 5 at 1:00pm. You can register at www.cacities.org/events.

NLC Congressional City Conference: The League's officers and more than 100 other California city officials traveled to Washington, D.C. for the National League of Cities (NLC) Congressional City Conference. Focusing on League and NLC's priorities, California city officials advocated for the passage of a comprehensive transportation reauthorization, sustained funding for critical grant programs, and protection of existing local revenues. The conference, held March 10 – 14, covered a range of topics including lobbying strategies, public safety, transportation reauthorization, disaster response and more.

The League's officers, President Mike Kasperzak, Mountain View, First Vice President Bill Bogaard, Pasadena, and Second Vice President José Cisneros, San Francisco, lobbied heavily for California's cities' federal priorities. Several California city officials were also invited to the White House for various briefings.

FY 2013 Appropriations: This month Congress began its FY 2013 appropriations work with the House's Budget Committee's passage of the chamber's FY 2013 budget plan. The full House will consider the budget blueprint approved by the committee this week. Under the House's budget plan for the coming fiscal year, discretionary spending would be capped at \$1.028 trillion, \$19 billion less than the \$1.047 trillion agreed to by the Administration and Congress in last year's Budget Control Act (PL 112-25). The House leadership's decision to propose spending reductions below the level agreed to under the BCA has upset Senate leaders and appropriators, and will likely lead to a contentious appropriations cycle and delay final funding decisions on FY 2013 spending legislation until elections have concluded in November. Until then the House Appropriations Committee will likely press forward with organizing its FY 2013 appropriations measures at the lower funding level proposed by the House Budget Committee. As a result, significant cuts to discretionary programs that benefit local governments, such as CDBG, HOME, COPS, Byrne/JAG, the Clean Water State Revolving Loan Fund and formula highway and transit funds are expected to be considered as the House organizes its FY 2013 spending bills. Many of these programs already saw significant cuts in FY 2012, including a 12% cut to CDBG and a 38% cut to the HOME program.

It is critical for cities to weigh in with their members of Congress to urge them not to reduce funding below FY 2012 levels for these programs. The League has issued a survey to cities to help deliver the message to our California congressional delegation that local governments rely on these programs and that funding for them must be preserved and a link to the survey is

available at www.cacities.org/federal. If your city has not yet completed the survey the League urges you to do so as soon as possible. The information you provide is vital to the case we are making at the federal level to maintain current funding levels for our priority federal programs.

Additionally, members of Congress will be back in their districts from April 2 - 13. The League is strongly urging cities to meet with their members to share information with them on how cities are utilizing these programs, why maintaining full funding for these programs is important and the impact of last year's cuts to these programs. To convey this message effectively the League is advising cities to share economic impact information where possible (describe how these programs have helped your city increase or maintain jobs, leverage private and/or state funding and increased economic activity in your city). Examples of this messaging are included in the League's survey.

Transportation Reauthorization: While attending the NLC Congressional City Conference, many participants had the opportunity to see first-hand as the U.S. Senate considered and passed a comprehensive transportation reauthorization. As this was the top priority for many California officials lobbying their representatives, it was a very exciting time to be in our nation's capital.

The Senate measure would reauthorize federal surface transportation programs for two years through FY 2013 and provide \$109 billion to fund these programs over this period. During consideration of the bill the Senate voted to adopt a League-supported amendment which would preserve the Highway Bridge Program (HBP). The program currently requires states to set aside 15 percent of their annual apportionment for bridges located on public roads; however the original version of the Senate reauthorization bill eliminated this program.

The transportation reauthorization has now been sent to the U.S. House of Representatives, where it is likely remain for the next few months. The House has unsuccessfully tried to gain momentum on multiple versions of a reauthorization. As such, it is widely expected that they will pass a three-month extension of SAFETEA-LU this week. The timing is tight, as the current extension runs out on March 31, 2012, and both the Senate and House leave for spring recess on March 30 and don't return until April 16. If Congress fails to pass an extension of SAFETEA-LU prior to March 31, it could result in a shutdown of the Federal Highway Administration.

The League has submitted comment letters on both the Senate and House versions of the reauthorization. They can be found at www.cacities.org/federal.

**The League's Federal Lobbyists are Eve O'Toole and Dustin McDonald with the firm of Holland & Knight.*