



**111th Congress, Second Session
August 3, 2010**

2010 NACo Annual Meeting

Celebrating its 75th anniversary, the National Association of Counties recently held its 2010 Annual Conference in Washoe County (Reno), Nevada, July 16-20, 2010. The conference consisted of interesting educational sessions, workshops, and forums; and, steering committee meetings with discussions on various national county policy issues – ultimately resulting in changes to NACo’s American County Platform.

Commissioner Lieberman presented at a workshop entitled *Children and Disasters: Our Role in Protecting this Highly Vulnerable Population*, discussing the County’s hurricane disaster plan involving children and pets. As President of the Florida Association of Counties, she also played a key role in having Immediate Past President Valerie Brown and NACo President Glenn Whitley convene a task force of state association of counties’ leaders to assist NACo in advocating on behalf of Gulf counties impacted by the Deepwater Horizon Oil Disaster.

NACo members also elected new officers for the 2010-2011 term including: Tarrant County Judge Glenn Whitley who was elected President of NACo; Commissioner Lenny Eliason of Athens County, Ohio, elected to serve as First Vice-President; and Commissioner Chris Rodgers of Douglas County, Nebraska, elected to serve as Second Vice-President. Sonoma County, CA, Supervisor Valerie Brown, acts as Immediate Past President after just ending her term as NACo President, rounding out the NACo 2010-2011 Leadership Team. Florida will continue to play a key role in NACo policy-making and leadership during, at least, the next three NACo Administrations.

Of particular note, President Whitley also announced his presidential appointments for 2010-2011. Among the appointees from Florida, Commissioner Jacobs was selected to serve as Vice-Chair of the Energy & Renewables Subcommittee of NACo’s Environment, Energy & Land Use Steering Committee; and Commissioner Lieberman has been appointed to again serve as Chair of the Large Urban County Caucus and Chair of the Housing Subcommittee of NACo’s Community & Economic Development Steering Committee. In addition, Whitley appointed Commissioner Lieberman to serve as Vice-Chair of NACo’s Membership Standing Committee representing the South Region.

Appropriations Activities

Appropriations successes for Broward County thus far have occurred in House. The budget process will continue throughout the summer and early fall.

- The House included \$1 million for public safety emergency communications equipment, requested by BSO and County
- \$150,000 was placed in the Labor/HHS/Education appropriations House bill, offering the second year’s funding for our Pediatric Mortality project
- The DDA/Downtown Transit Circulator project (“The Wave”) received \$1.8 million in the House Transportation, Housing and Urban Development bill (see detailed project description, below)

The Wave

Fort Lauderdale’s plan for a light-rail system downtown received a boost from a U.S. House of Representatives’ budget-writing committee last week. The \$1.8 million appropriation for The Wave was secured by Rep. Wasserman Schultz.

The Wave would be powered by overhead electrical wires and run on rails embedded in the roadway. The current plans call for 10 stations with real-time traffic information. The 2.7-mile light rail streetcar system would replace the bio-diesel Sun Trolley community bus service and cost close to \$50 million a mile.

The appropriations bill must next pass the full House and Senate and be signed by President Obama before the funds can be released.

Budget Process Update

The regular five-year budget resolution will not be considered this year by the House of Representatives; instead, Congress will consider a one-year budget enforcement or “deeming” resolution that limits discretionary program spending for the 12 annual appropriations bills for FY 2011.

On June 30, 2010, the House of Representatives passed its version of the Supplemental Spending Bill, which included the budget “deeming” resolution capping the FY 2011 discretionary spending at \$7 billion below the President’s budgetary request. This “capping” creates concerns for pursuers of competitive and discretionary grant programs, as well as appropriations requests.

While the Senate Budget Committee passed a five-year budget resolution earlier this spring, Budget Committee Chairman Conrad has signaled the Senate will likely follow the House and move forward with a one-year plan. Agreement on the overall amount for FY 2011 discretionary spending must occur before the appropriations process can move forward in earnest.

FMAP Extension Efforts Fail

Senate leadership is continuing its efforts to extend FMAP but an unexpected Congressional Budget Office score indicating the legislation would add approximately \$5 billion to the deficit over 10 years led to a tabling of the bill. A modified amendment is expected to be introduced this week to make the legislation budget neutral through offsets. The bill would cost \$16.1 billion for the increased Medicaid funding and \$10 billion for teaching jobs.

There has been heavy lobbying by state and local officials, unions, and health advocacy groups.

Democrats said the legislation would provide a needed boost to the economy and protect vulnerable public sector jobs. Republicans opposed the spending and labeled the bill as an attempt to influence public-employee unions prior to an election.

Unemployment Compensation Insurance (UCI) Extension

The Senate invoked cloture by a vote of 60-40 ending the filibuster on extending jobless benefits. HR 4213 extends federal unemployment benefits through November 30, 2010 for workers who have exhausted their benefits and is retroactive to June 2, 2010, when the benefits last expired. It is estimated that UCI expired for 2.5 million out of 5 million currently receiving benefits; the Florida estimate of expired benefits is 175,000. Originally, the bill also extended other unemployment benefits such as COBRA health insurance subsidies, but there was insufficient support for those issues due to increasing deficit spending and pressure to “pay as they go.” The bill was immediately signed by the President.

Small-Business Lending Fund

Last week, the Senate again failed to invoke cloture on HR 5297, a \$30 billion bill to create the Small Business Lending Fund Program. The bill directs the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, and for other purposes. The fund would give preferential interest rates to community banks that increase loans to small firms.

The legislation - backed by the U.S. Chamber of Commerce, received 59 votes, with 60 needed to move it forward. Senators have worked to change the structure of the lending fund, allowing many more banks to participate in the program and to add provisions on exportation promotion and health care fraud.

The bill also includes about \$14 billion in tax incentives and expansions to government programs that assist small businesses. A version of the lending fund and a much smaller tax package were included in the House-passed version of the bill.

Future action on the bill is expected to continue through the 111th and into the 112th Congress.

Local Jobs for America Act

The National Association of Counties along with the National League of Cities and U.S. Conference of Mayors are calling on Congress to pass the Local Jobs for America Act, H.R. 4812 and S. 3500, in light of the continuing financial stress faced by local governments around the nation.

The three groups, on July 27th, released the results of a nationwide survey showing that the fiscal crisis facing local governments could likely result in the loss of approximately 500,000 jobs and significant cuts in public services. The survey shows that local governments have made significant cuts in various areas including public safety, public works, social services, public health, and parks and recreation as a result of the economic recession the last two years. Speaking on behalf of NACo's Large Urban County Caucus, Commissioner Lieberman described Broward County's financial situation to make the case for Congress' swift consideration and passage of the Act.

The Local Jobs for America Act will make available \$75 billion over a two-year period for 750,000 jobs providing needed local services. The Act also funds 50,000 on-the-job private sector training positions.

\$52.5 billion will be directly provided to communities with at least 50,000 residents. Local governments would submit a statement to the need for the specific positions to the Department of Labor which then distributes funding to communities based on the Community Development Block Grant formula. Half of the funding will go to positions that would be eliminated due to ongoing budget shortfalls. Up to 25% of the funding can go to non-profit community organizations that provide services not customarily provided by local government employees. The remaining 25 percent may be used to create new local government jobs.

\$22.5 billion is directly provided to state governors to distribute to communities with fewer than 50,000 residents. Eligible cities, towns, counties, and private non-profits in these smaller communities must apply to their state's governor for the funding. Funds must be used in the same manner as with larger communities. Governor must fairly distribute the funding among congressional districts, in proportion to each district's rural population.

Funds may only be used for compensation of full-time, full-year positions. "Full-year" is defined to include school year positions. Local governments may expand existing services or restore services cut during the previous five years. Positions are federally funded for two years.

Jobs are regular government or local community organization jobs, including jobs in pre-existing job titles and those covered by union contracts. Local governments *are not required* to continue funding these positions once federal funding expires. Hiring priority will be given to workers laid off from local government positions, current unemployment insurance recipients, and the long-term unemployed whose benefits have been exhausted.

In addition, the Local Jobs for America Act provides \$23 billion to help states support an estimated 300,000 education jobs; \$1.18 billion to put 5,500 law enforcement officers on the beat; and \$500 million to hire and retain fire fighters.

Assets for Independence Act (AFIA)

Assets for Independence, the Federal program that provides funds to assist low-income families to save earned income and build assets towards the purchasing of a first home, capitalizing a small business, or post-secondary education or training, is set for reauthorization.

Broward County is the recipient of three grants administered since 2004. Stakeholders support lowering the federal to non-federal match rate from 1:1 to 3:1, improving and streamlining the requirements for grantees as well as expanding participant eligibility qualifications. Staff has requested advocacy on this issue indicating support for the recommended changes that would make the program more flexible and serve more people.

2011 Federal Program Drafting

Over the next three months, the Governmental Relations team will begin development of the 2011 Federal Legislative platform for the county, with your input and assistance. Departments and Offices should be reaching out to their Advisory Boards to seek input on policy statements, while Directors and management teams can begin identifying appropriate projects for submissions as potential appropriations requests. Email correspondence including federal program forms and timelines will be distributed in the near future.