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Memorandum

From:Jane Sargent, Rick Spees, Nick Falvo, and Jose VillalobosTo:Chairman Joe A. Martinez
Board of County CommissionersCC:Joe RascoDate:August 3, 2012Subject:July 2012 Monthly Report

FY2013 Appropriations:

The Congress adjourned on August 2 for a five-week recess. They are scheduled to reconvene on September 10. They plan to be in session for approximately eight days before the current fiscal year ends on September 30.

To date, the House has passed six of 12 appropriations bills that, taken together, make up the federal budget. Those bills are: Commerce-Justice-Science, Defense, Energy & Water, Homeland Security, Legislative Branch, and Military Construction-Veterans Affairs. Five other bills – Agriculture Financial Services, Interior & Environment, State-Foreign Operation, and Transportation-HUD – have been marked up by the full House Appropriations Committee. The final bill – Labor-HHS-Education – has not been considered by the House Appropriations Committee.

The Senate Appropriations Committee has marked up 11 of the 12 bills. The only remaining bill to be considered is the Interior & Environment bill, which funds the Environmental Protection Agency (EPA) and can be controversial.

With the limited time remaining, Congress cannot complete the FY2013 bills before the fiscal year begins on October 1, 2012, and therefore, will need to pass a Continuing Resolution to keep the government operating until they can finish the bill. This week, the House and Senate leadership agreed in principal to a six-month Continuing Resolution (CR) that will fund the government until March 31, 2013. The leaders decided that they wanted to focus their efforts during the post-election lame duck session on the expiring tax cuts and sequestration, rather

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than completing the FY2013 bills.

The six-month CR would set discretionary spending for the first six months of the fiscal year at \$1.047 trillion, which is the level agreed to in last year's debt ceiling law. House Conservatives had been pushing for a \$19 billion reduction, but are expected to agree to the six-month CR in hopes of taking control of the Senate and the White House in the elections so they can push for even steeper cuts next March. Democrats wanted to avoid a government shutdown in an election year and succeeded in keeping the higher spending levels for at least the first six months of the fiscal year.

The CR will be drafted over the recess and will be taken up by the House and Senate when they reconvene in September. There will be a push to keep the CR "clean", but it may need to be used as a vehicle to extend authorizations that are expiring at the end of September.

Fire Rescue/USDA Property Acquisition:

We have been working with the County on the legislation to permit the County to purchase property from the U.S. Department of Agriculture to build a new fire station to serve Pinecrest, Palmetto Bay, Cutler Bay and surrounding communities. As you are aware, Representative Ros-Lehtinen re-introduced the House version of the bill (H.R. 2825) in August 2011. The bill has been co-sponsored by Representatives Diaz-Balart, Rivera, Wasserman Schultz, and Wilson.

We have been working with the Office of Intergovernmental Affairs on introduction of the lands bill in the Senate. On July 17, Senator Marco Rubio and Senator Bill Nelson introduced the Senate version of the bill (S. 3390). It has been referred to Senate Agriculture Committee for consideration.

In addition, Representative Ros-Lehtinen's office was working to get the measure included as a provision in the House version of the farm bill. The House Agriculture Committee marked up the farm bill (H.R. 6083) on July 11. The County's land transfer was included in the bill as Section 7521. The language in the House farm bill is identical to H.R. 2825. The five-year farm bill was referred to the full House for consideration, but concerns from conservative Republicans and Democrats over the funding levels in the bill have kept the House Republican leadership from scheduling it for floor consideration.

As we reported to the County, this week the House Republican leadership was considering taking up a one-year extension of the bill that also included disaster assistance for farmers and producers impacted by the severe drought and other recent disasters. This would have been problematic for the County as the House would have put off consideration of the five-year farm bill that includes our land transfer provision. However, due to significant objections to the one-year extension, the House leadership pulled the bill and decided to take up a standalone disaster aid bill instead. That bill was passed by the House on August 2 before they adjourned for the recess.

The current farm bill expires on September 30. Congress will need to reach an agreement on a five-year reauthorization bill before then or will need to pass a temporary extension. The

Senate and House Agriculture Committee would like to see Congress complete a five-year bill, but it is not clear at this point whether there is enough time to do that. They may need to pass a temporary extension if they cannot reach a deal before September 30.

Trade Bills:

In July, Congress considered two trade bills of interest to the County:

<u>H.R. 5986, AGOA Extension</u>: The first bill, H.R. 5986 amends the "African Growth and Opportunity Act" (AGOA) to extend through 2015 the third-country fabric provision and to add South Sudan to the list of 48 sub-Saharan countries eligible for tariff exemptions under AGOA. It also makes technical changes to the Central American free trade agreement related to the textile and apparel rules of origin, and renews sanctions on Myanmar that were part of the Burmese Freedom and Democracy Act of 2003.

AGOA was signed into law in 2000. The third-party fabric provision in AGOA was set to expire on September 30, 2012. The provision gives apparel-producing companies in Africa an added benefit by allowing them to use fabric from other countries in their products and still get the special trade preference under AGOA. Extending this provision was a priority for U.S. industry groups, such as the U.S. Chamber of Commerce, several African governments, and the Foundation for Democracy in Africa. The County has been working with the Foundation this year, which is a development organization focused on promoting democracy and economic growth in Africa and has offices in Miami and several countries in Africa.

On August 2, both the House and Senate passed H.R. 5986. The bill will now be forwarded to the President for his signature into law.

<u>H.R. 6156, Russia and Moldova Jackson-Vanik Repeal Act of 2012</u>: On July 26, the House Ways & Means Committee approved a bill (H.R. 6156) to grant permanent normal trade relations (PNTR) to Russia. The Senate Finance Committee approved its version of the bill (S. 3406) on July 18.

PNTR was formerly known as "most favored nation" (MFN) status. A country with PNTR trade status means that it will not be discriminated against and will not be treated worse than any other nation with PNTR status. Countries with PNTR are granted all trade advantages, such as low tariffs, that other countries receive. Only two countries -- Cuba and North Korea -- do not have NTR status in trade with the United States. Russia currently has "conditional PNTR". This legislation will change Russia's status from conditional NTR to unconditional or permanent NTR (PNTR).

Russia is scheduled to join the World Trade Organization on August 22, 2012. The WTO requires its members to extend immediate and unconditional nondiscriminatory treatment to the goods and services of all other members. To fulfill that commitment, the United States will need to extend PNTR to Russia. In addition, proponents of the bill argue that it is needed in order for U.S. businesses, farmers and manufacturers to benefit from Russia entering the WTO, and will result in more U.S. exports and American jobs.

According to the International Trade Administration (ITA) Florida exported over \$188 million in goods to Russia on average from 2008 to 2010. Florida's top goods exports to Russia in recent years include aerospace products, consumer goods, automotive products, machinery, poultry, eggs and egg products, and meats. In 2009, the Miami-Fort Lauderdale-Miami Beach metropolitan area exported over \$1.6 in merchandise to world markets, including Russia.

Congress adjourned on August 2 for five weeks. The bill may be scheduled for consideration when they reconvene in September.

Violence Against Women Authorization (VAWA):

The Violence Against Women Act (VAWA) was originally passed in 1994 (Public Law 103-322) to help prevent and prosecute domestic and sexual violence as well as offer assistance to victims. The act was re-authorized in 2000 and 2005 with broad bipartisan support. However, the renewal this year has been controversial and there are significant differences between the House and Senate versions of the bill.

On April 26, the Senate passed its version of the five-year reauthorization of the VAWA (S. 1925). The bill expands VAWA and includes some politically controversial provisions, including granting more visas to undocumented immigrants who are victims of domestic abuse, preventing shelters from discriminating against domestic violence victims who are gay, lesbian, bisexual or transgender, and expanding VAWA's reach to give American Indian authorities jurisdiction over non-Indians accused of abusing American Indian women.

On May 16, the House passed its version of the VAWA reauthorization (H.R. 4970), which is a more limited version of the Senate bill. The Senate is opposed to the House bill and the White House has issued a veto threat against it. Opponents argue that the House bill rolls back the existing law and fails to protect some of the most vulnerable victims of domestic violence. In particular, the House bill does not include new protections for immigrants, American Indian and LGBT victims of domestic violence.

With both the House and Senate passing their versions of the bill this spring, the legislation was expected to be referred to a House-Senate conference committee to resolve the differences. However, House Republicans had been objecting to going to conference on the Senate-passed bill (S. 1925) because it contains a small revenue provision that raises fees on U visas that are issued to immigrant victims of domestic abuse. This creates what is known as a "blue-slip" problem. Under the Constitution, all revenue measures must originate in the House. Because of this revenue provision, the House is refusing to consider the Senate bill. The Senate could ask for a conference on the House-passed version. However, the Senate is strongly opposed to the House bill and does not want to negotiate the final version based on the more limited House bill.

There were no new developments on the VAWA bill until this week. On July 30, the House Speaker finally announced eight conferees to negotiate a final deal on the VAWA bill. The House Republican conferees are: Representatives Sandy Adams (R-FL), Mary Bono Mack (R-CA), Trey Gowdy (R-S.C.), Nan Hayworth (R-N.Y.), Cathy McMorris Rodgers (R-WA), Shelley Moore Capito (R-WV.) and Jim Sensenbrenner (R-WI) and House Judiciary Chairman Lamar

Smith (R-TX). Republicans have been facing political pressure in recent weeks over women's issues in general and the speculation is that the Speaker named his conferees to blunt some of that criticism.

However, even though the House Speaker has appointed his conferees, Senate Democrats and Republican have not agreed to go to conference. In May, Senate Republicans blocked the Senate Majority Leader Harry Reid from appointing Senate conferees to the bill. It is not clear how the Senate will proceed at this point. They adjourned yesterday for the five-week recess without naming conferees to the bill and with a tight legislative calendar in September, there may be no real progress on the bill before they adjourn for the November elections.

The Great Ape Protection and Cost Savings Act of 2011:

The Board of County Commissioners has adopted a resolution, R-342-12 urging the U.S. Congress to enact H.R. 1513, S. 810, The Great Ape Protection and Cost Savings Act of 2011, or similar legislation banning invasive research on chimpanzees, prohibiting the transport of chimpanzees for purposes of invasive research, prohibiting the breeding of chimpanzees for purposes of invasive research, and requiring the provision of lifetime care of chimpanzees in a suitable sanctuary, such as chimp haven, through the permanent retirement of chimpanzees.

On July 25, the Senate Environment and Public Works Committee approved an amended version of S. 810, the Great Ape Protection and Cost Savings Act of 2011, by voice vote. The bill would ban invasive research on great apes, including chimps, gorillas and orangutans, currently housed in U.S. laboratories, unless it is deemed necessary for human health in combating a disease. The bill would also establish a "Great Ape Sanctuary System Fund" within the Treasury Department to pay for the retirement of approximately 500 federally owned chimps currently in labs to a permanent sanctuary.

The Committee approved a substitute amendment by voice vote that adds a provision to the bill that would allow research after the ban goes into effect if the Secretary of Health and Human Services (HHS) finds that research on great apes could be beneficial to combat unforeseen diseases. If the HHS Secretary determines invasive research is necessary, a task force would be convened to review and authorize research proposals. Under the amendment, invasive research would be authorized only if there is no other suitable model available, research could not ethically be performed on humans, or forgoing research on apes would "significantly slow or prevent" scientific advancement.

The bill also includes a provision that would phase out federal funding for research on great apes, both in the United States and overseas. The bill also bans the housing, breeding, selling or transporting of great apes for the purpose of unauthorized research, and establishes a fine up to \$10,000 for each violation.

The bill will now be referred to the full Senate for consideration. The House companion bill, H.R. 1513, remains pending before the House Energy and Commerce Committee. **Edward Byrne Memorial Justice Assistance Grant Program Reauthorization Act of 2012**:

On July 18, the House Judiciary Committee approved H.R. 6062, the Edward Byrne Memorial Justice Assistance Grant Program Reauthorization Act. The bill was approved by voice vote and reauthorizes the Byrne JAG program for 5 years at \$800 million per year. An amendment to increase the annual authorization amount to over \$1 billion per year was rejected by the Committee over budget concerns. On August 1, the House passed the bill without amendment. It has been referred to the Senate for consideration.

H.R. 6062 provides the authorization for the program, but money has to be appropriated annually for the Byrne JAG program, which is typically less than the authorized amount. The program is funded through the Commerce-Justice-Science (CJS) Appropriations bill. The House passed its version of the CJS bill on May 10. The Senate Appropriations Committee approved their bill on April 19.

The House passed-bill includes \$392.4 million for the Byrne JAG program in FY2013. The original House bill had \$370 million, but an amendment on the floor increased the amount to \$392.4 million. The Senate Appropriations Committee's bill funds the programs at \$392.4 million. The FY2012 enacted level is \$370 million.

Juvenile Justice Related Bills:

On July 18, the House Judiciary Committee also marked up the H.R. 3796, the Adam Walsh Child Protection and Safety Act Reauthorization Act, which reauthorizes for five years grants that help states meet standards for monitoring sex offenders. The House passed the bill on August 1, and it has been referred to the Senate for consideration.

On June 28, the House Judiciary Committee also approved H.R. 6019, Juvenile Accountability Block Grant Reauthorization and the Bullying Prevention and Intervention Act of 2012. The bill would reauthorize and expand the use of Juvenile Accountability Block Grants for programs to prevent and address occurrences of bullying, including cyber-bullying, and for gang-prevention programs. It authorizes \$40 million annually for the grants from FY2013 to FY2017. The bill was scheduled to be voted on by the House the week of July 9th, but the vote was postponed. We will let the County know when the House votes on the bill.

Health Care Reform:

As we have previously reported, on June 28, the U.S. Supreme Court, by a 5-4 vote, upheld the constitutionality of the vast majority of the Patient Protection and Affordable Care Act (Public Law 11-148, Public Law 111-152), including the "individual mandate." Republicans are strongly opposed to the President's health care reform bill and disagreed with the Supreme Court's decision to uphold the law.

To show their disagreement and commitment to repealing the law, the House passed a bill (H.R. 6079) to repeal the 2010 health care reform law on July 11. The vote was 244 to 185. Five Democrats voted in favor of the repeal – Dan Boren (OK), Larry Kissell (NC), Jim Matheson (UT), Mike McIntyre (NC), and Mike Ross (AR).

The House has voted 33 times to repeal or eliminate funding for the health care law since the Republicans took control of the House in January 2011. The vote on H.R. 6079 was to show the House Republican's commitment to repealing the law. They intend to keep pushing the issue going into the November elections.

The Democratic-controlled Senate is not expected to take up H.R. 6079, and the White House has issued a veto threat against the bill.

Activities for August:

The House and Senate adjourned on August 2 for their usual summer recess and political conventions. Congress is scheduled to reconvene on September 10. There will be minimal legislative activity during the month of August, which is particularly the case in an election year when Members of Congress and Senators up for re-election spend the recess campaigning in their districts. The Congress will be in session for approximately 8 days in September, and will likely adjourn for the elections no later than October 5. All work not completed before they adjourn will be postponed until the lame duck session scheduled to begin on November 13.