

MEMORANDUM

To: Chairman Joe A. Martinez, Board of County Commissioners
cc: Joe Rasco, Phillip Drujak, Bill Couch, Tiffany Machado
From: Patton Boggs LLP
Date: October 11, 2012
Subject: August 2012 Monthly Report

Below please find an update of the Patton Boggs team's most substantive activities on behalf of Miami-Dade County for the month of August. As you are aware, Congress was in recess in August.

Budget and Appropriations

We continued to monitor and provide analyses of Congressional efforts with regards to the FY 2013 appropriations process. Prior to Congress leaving town for the August recess, Senate Majority Leader Harry Reid and House Speaker John Boehner announced an agreement on a six month Continuing Resolution (CR) which both chambers would bring to their respective floors in September. The CR would maintain FY 2012 funding levels. As Congress has not yet passed a single appropriations bill this year, the CR is required to keep the federal government running when the new fiscal year starts on October 1st.

Over the month of August there was rising concern about the looming "fiscal cliff," which is a confluence of the expiring Bush and Obama tax cuts, and a \$109 billion sequestration scheduled to occur in early January. Sequestration is the outcome of the Super Committee's (created by the Budget Control Act) failure to agree on cuts mandated by the debt ceiling agreement. As a result, across the board cuts of either 8.2% or 7.6% will go into effect on January 2, 2013, affecting many of the domestic discretionary programs on which local governments rely. In addition, deeper cuts on Pentagon programs will affect many local economies. *(For more information on these cuts, please reference the Patton Boggs memo of September 18th concerning our analysis of the Office of Management and Budget's Sequestration Report.)*

During August, Patton Boggs was instrumental in crafting a letter to Congressional leaders concerning the economic impacts of sequestration on local governments and urging Congress to take a balanced approach to stave off sequestration. The letter is currently being circulated for mayoral signatures by the US Conference of Mayors.

We also attended, and drafted a summary of, a Senate Finance Committee mark-up of legislation to renew a number of expired (in 2011) and expiring (in 2012) tax breaks such as the New Markets Tax Credit. The Senate Finance Committee reported out the legislation by a bipartisan majority. It awaits Senate floor action; House action may occur in the coming months.

Transportation and Transit

We shared with the County several analyses Patton Boggs had prepared on aspects of the Moving Ahead For Progress or MAP 21 surface transportation legislation which passed earlier in the year. One such analysis concerned the TIFIA program (Transportation Infrastructure Finance and Innovation Act), which was significantly revised in the new legislation, while another concerned changes to Federal Highway Administration's programs. In addition, we reviewed and provided the County with the Federal Transit Administration's (FTA) letters to Governors regarding new provisions in Map 21, which called on the FTA to certify State Safety Oversight (SSO) agencies and to provide grant money for compliance.

Defense/Veterans

Patton Boggs reviewed letters prepared by the Beacon Council concerning the Miami International Air Show. We also provided information to the County concerning amendments to H.R. 1627, which provided veterans with a variety of new benefits. The President signed the bill into law on August 6th.

General Federal Legislative and Regulatory Monitoring

In addition to regularly informing the County of federal grants, as they are posted in the Federal Register, throughout August we provided timely updates on federal regulatory action such as FCC waivers, FirstNet Board appointments, a Department of Labor briefing on AfterCollege programs, and other items. In addition, we worked with the Department of Homeland Security Intergovernmental Office to lay the ground work for a high level meeting with Mayor Gimenez.