

WEEKLY WASHINGTON MARCH 21TH – MARCH 25TH, 2011

Below is an informal overview of the Weekly Washington activities of the Office of Intergovernmental Affairs.

3% WITHHOLDING TAX MEETING WITH OFFICE OF SENATOR RUBIO

OIA, the U.S. Chamber of Commerce, and NACo participated in a meeting with Jonathan Slemrod, Legislative Assistant for Budget and Taxes. The meeting was held in Senator Marco Rubio's office on Thursday to discuss repealing the 3% withholding tax. Senators Scott Brown (MA), Olympia Snowe (ME), and David Vitter (LA) offered an amendment to S.493, the SBIR/STTR Reauthorization Act of 2011, in order to repeal the 3% withholding tax. Congress did not vote on the amendment prior to adjourning last week for constituent work. Commissioner Sally Heyman sent a letter in support of this amendment to Senators Bill Nelson and Marco Rubio urging them to endorse this measure. Commissioner Heyman said in her letter that: "Miami-Dade County has evaluated the impact of this penalty tax on our entity. Based on 2009-2010 budget figures, the annual value of contracts for goods and services awarded by Miami-Dade County was \$2.1 billion, including construction and design. If this legislation were in place today, the County would likely have to absorb an annual increase in the cost of goods and services in excess of \$63 million annually. This increase in operating costs to the County would certainly result in a significant reduction of support for other important services to our citizens. The projected costs to local Governments in Florida would be in excess of several hundred million." Mr. Slemrod understood the detriment this would have on the county and indicated that the Senator would be very supportive and would work with Senators Brown, Snowe and Vitter on this issue. OIA will continue to work with the Miami-Dade County Congressional delegation, U.S. Chamber of Commerce, NACo, and other 3% Coalition partners to repeal the tax

U.S. - CUBA RELATIONS

Fidel Castro made it official on Tuesday that he is no longer the dominating force in the Cuban government, passing on that role to his brother, Raul. Castro said the shift occurred five years ago. The U.S. State Department is expecting the Cuban government to make peaceful gestures in response to the overtures made by the Obama administration. "We have expanded remittances, we expanded travel, we have sent a strong signal to the Cuban people," Obama said in an interview with the Miami Herald. "The Cuban government made some gestures about releasing political prisoners and starting some market-based economies with small business opportunities. (But) we haven't seen as much follow-through as we would like." On Jan. 27, 2011, the Obama Administration published new regulations in the Federal Register that brought U.S. travel sanctions back to the more flexible "people-to-people" restrictions of the Clinton years. The U.S. Customs and Border Protection agency expanded the list of eligible airports from three to twelve, adding Tampa, Fort Lauderdale, Dallas/Fort Worth, New Orleans, Chicago, San Juan, Pittsburgh, Baltimore, and Atlanta. In the past, Miami captured the bulk of Cuba travel from the United States. Also on Wednesday, the Cuban government freed 75 political activists from the 2003 "Black Spring" crackdown. State Department Spokesman, Mark Toner, urged the Cuban government to release all political prisoners, including American Contractor Alan Gross, who

was arrested in 2009 for delivering communications equipment on the island, and sentenced to 15 years of prison time for "acts against the independence or territorial integrity" of Cuba.

FEMA FLOOD MAPPING

As a result of a bipartisan effort, the Federal Emergency Management Agency is now responsible for taking into account aging dams and levees in the risk maps it generates for the National Flood Insurance Program. The decision could open availability and affect prices for people seeking flood insurance, but lawmakers have yet to devise a solution to the \$19 billion deficit the program has produced. Created in 1968, the federally funded program provides flood insurance as it is unavailable in the private sector. But its Sept. 30, 2011 expiration date is approaching, and lawmakers say without a reauthorization bill, the housing market could be thrown into further turmoil. In the current system, residents who live near aging levees are often uninsured in the event of a levee failure. Republican Senator, Rodney Alexander (LA), said the U.S. needs an infrastructure overhaul because the Army Corps of Engineers is underfunded and local governments cannot be expected to pay for highly expensive repairs. The changes could have effects on the low-lying Miami-Dade county area. The Miami Conservancy District flood protection system manages five "dry" dams and 35,650 acres of reservoir area that are used in the event of heavy rainfall. A replacement of the South Florida system today would cost \$912 million, according to the Engineering News Record Construction Cost Index.

FAA AIR TRAFFIC CONTROL

Congressman John Mica, Chairman of the House Transportation and Infrastructure Committee, said he plans to investigate the Obama administration's management of air traffic controllers, after one reportedly fell asleep during the graveyard shift Wednesday at the Ronald Reagan National Airport control tower. He was the only air traffic controller on duty, and reportedly on his fourth consecutive night at work. Two planes were forced to land without guidance from Reagan National. The Federal Aviation Administration (FAA) is investigating the supervisor who was on duty -- it is the second time in two years the tower at Reagan National has gone silent, according to the Washington Post. In response to the incident, Transportation Secretary Ray LaHood ordered the FAA to place a second controller during the graveyard shift at Reagan National, and opened a review of staffing levels nationwide. Mica criticized the move to increase staffing as a "bureaucratic response." The National Air Traffic Controllers Association (NATCA), the union for most air traffic controllers, described one-person shifts as unsafe, and said that priorities are wrongly placed on budget over safety.

CENSUS: GROWTH OF HISPANIC POPULATION

The U.S. Census Bureau announced on Thursday that Hispanics are now the second largest group in America, with more than 50 million, or 16.3 percent of the population. Hispanics accounted for more than half of the 27.3 million people added to the census rolls since 2000. The new U.S. population is approximately 308.7 million people, officials said. Americans continued their decades-long migration to the Sun Belt, and the nation's mean center of population has shifted roughly 30 miles southwest to a spot near the village of Plato, MO. In 2000, two out of every three Floridians identified themselves as White non-Hispanic, but that proportion has

fallen to 57.9 percent. If young Floridians are any indication, that number will drop further. In about 10 states, including Florida, the amount of children who are minorities has already passed 50 percent. Florida's Hispanic population grew by 1.5 million, or 54 percent, to reach 4.2 million. As a portion of the total, Hispanics grew from 16.8 percent to 22.5 percent. The states in the South and West that are picking up House seats, of which Florida will receive two, are Republican-leaning, but most of their growth is now being driven largely by Hispanics, who tend to vote Democratic, which could put these districts into play.

WEEKLY CLIMATE COMMUNITIES CALL

OIA participated in the weekly Climate Communities call on March 24, discussing the growth of electric cars and charging stations. There are 87 Clean City Coalitions across America working to make cities ready for electric vehicles, and the U.S. Department of Energy has required coalitions to develop an "EV Readiness" plan for each region. Nelson Daniels, senior sustainability technician for the city of Raleigh, NC, worked on five federal grants the city received to install electric car charging stations, educate companies on how to install the units, and educate the public of their availability. They plan to have installed 25-30 charging stations by the end of 2011. In Raleigh, drivers pay to park, but charge their cars for free. Daniels expects that fees for electricity will not be charged for at least two years. In Puget Sound, WA, where another EV Readiness program is underway, officials chose to put a price on car charges, at least for the general operating costs. Lessons learned in Seattle were: the ideal locations for charging stations, permitting, what equipment to buy, and how much to charge. According to one official, the best locations are near urban and suburban employment centers, malls and airports – "park and ride" locations were unsatisfactory places for charging stations. Solar power charging units worked, but only when supplemented by the power grid. The majority of costs for a charging station is related to installation, especially cutting concrete and doing electrical upgrades. The Puget Sound office estimates that each site costs \$10,000. In contrast, the box for a residential unit, such as one placed in a garage, would cost \$2,000. In his FY 2011 budget, President Obama included \$226 million for vehicle technology programs at the Department of Energy. Local governments can apply for these grants, in support of Obama's goal of being the first country to have one million electric cars on the road by 2015. Next week's call will focus on the Transportation Reauthorization Bill coming to the floor in Congress.

REP. CONNIE MACK NOT RUNNING FOR SENATE

Despite rising expectations, Republican Congressman Connie Mack announced Thursday he would not seek the Senate seat currently held by Democrat Bill Nelson in 2012. Mack's father held the seat between 1989 and 2001. Mack attributed his decision to the responsibility of raising two young children with his wife, California Congresswoman Mary Bono Mack. The only Republican to throw a hat in the ring for the 2012 race so far is State Senator Mike Haridopolis, but the field is expected to get more crowded as the Republican primary gets closer.

CALENDAR

Congress returns on Tuesday, March 29th from a week of constituent work back in their districts. The Miami-Dade Public Housing Agency (MDPHA) will be in town Monday, March

28th through Wednesday, March 30th to meet with the county's Congressional delegation to discuss the impact of HUD budget proposals on Public Housing and Section 8 Programs in Miami-Dade County.