

WEEKLY WASHINGTON MAY 2ND THROUGH MAY 6TH, 2011

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

BEACON COUNCIL DC FLY-IN FOR MIAMI INTERNATIONAL AEROSPACE SHOW

On May 4th, OIA and the Beacon Council visited with members of congress, their staff and representatives at the Pentagon, to advocate for the Miami International Aerospace Show (MIAS). The day started with a meeting at the Pentagon with Jim Holland, Deputy for Installation Policy for the Air Force. Mr. Holland expressed his support for the project and his willingness to follow up on issues related to the Air Force. He agreed with the Beacon Council's proposal to seek approval from the Air Force of Civil Aircraft Landing Permits for the aircraft that will be participating in the MIAS. The second meeting held at the Pentagon was with Col. Carlos Hill, Reserve Advisor to the Legislative Liaison of the Air Force and Julie Pitvorec, General Counsel of the Office of the Air Force. Ms. Pitvorec raised questions regarding the economic impact of the MIAS on the base, the need for additional environmental review and how this air show will be a success where other shows have failed. Responses to all questions and updated written information were provided. The delegation also stressed the fact that Miami-Dade County had approved \$7.5 million of infrastructure improvements that will improve the area surrounding Homestead Air Reserve Base, and that failure to receive the federal approval needed by Aug. 1, 2011, will jeopardize the funding. Col. Hill and Ms. Pitvorec indicated they were satisfied with the responses to their questions, and would submit them in writing so that Beacon Council could reply in kind. Col. Hill also said he had the opportunity to provide a report on the meeting to Gen. Jackson, Deputy to the Chief of the Air Force Reserve (Gen. Stenner's deputy). OIA participated in additional meetings with the staff of Sen. Bill Nelson, Rep. Mario Diaz-Balart, Rep. David Rivera, Rep. Ileana Ros-Lehtinen, the chief of staff for Sen. Marco Rubio and Rep. Frederica Wilson. Due to the potential positive economic impact of the project, all parties expressed support for the MIAS and Rep. Ros-Lehtinen offered to coordinate a letter for signature by the Florida delegation. Rep. Wilson also agreed to sign the delegation letter. The team is committed to keeping the delegation members apprised of the changing situation at the Air Force in order to make adjustments and offer assistance as needed. Additionally, OIA and Diana Gonzalez are scheduled to meet with Brian McManus from Governor Rick Scott's D.C. office on Monday, May 9th to brief him on the progress to date.

NACo's 2011 LARGE URBAN COUNTY CAUCUS (LUCC) DC FLY-IN

OIA participated in a legislative roundtable and executive branch workshop during the 2011 Large Urban County Caucus (LUCC) Legislative Fly-in that took place May 3rd – 5th in Washington D.C. The legislative roundtable laid out LUCC's federal priorities for FY12, including opposition to the block granting of Medicaid and continued support for Community Development Block Grants (CDBG). The executive branch workshop allowed senior officials from the Obama administration to provide LUCC members with an overview of the President's priorities for the next two years, including the U.S. Department of Justice's efforts to address the national epidemic of prescription drug abuse. The fly-in was hosted by the National Association

of Counties Chair and Broward County Commissioner, Hon. Ilene Lieberman. OIA also attended a Capitol Hill event hosted by the Los Angeles County Board of Supervisors and the Los Angeles Area Chamber of Commerce.

CHAIRMAN MARTINEZ'S MIAMI-DADE TRANSIT LETTER TO WASHINGTON

Miami-Dade Board of County Commissioners Chairman Joe Martinez sent a letter to Federal Transit Administration (FTA) Acting Regional Administrator for Region IV, Linda Gehrke; as well as U.S. Department of Transportation (DOT) Secretary Ray LaHood to address the county's ongoing efforts to restore Miami-Dade Transit (MDT) federal drawdown privileges. The consideration of limited drawdown status comes as MDT has made many administrative and procedural improvements that are near full implementation in response to requirements set forth by DOT and the FTA. OIA worked to ensure and confirm that this letter was received by Secretary and the Regional Administrator and given its due attention.

3% TAX WITHHOLDING CAMPAIGN

The U.S. Chamber of Commerce-led coalition against the 3% withholding tax has announced plans to increase pressure on Congress with a grassroots effort in June. Designed to be a "new 1099 issue," they are rallying small business owners, doctors, farmers, and state and local government members who would be affected by the tax on government contracts starting next year. A website featuring a national sign-on letter and a "Contact Congress" mechanism will be the hallmarks of the campaign, which borrows from the success of repealing the 1099 reporting mandate. The coalition also reported progress being made on Capitol Hill, where the House Small Business Committee has scheduled a hearing on the 3% withholding tax for Thursday, May 26th, and the coalition has asked supporters to generate as many 'statements for the record' as possible to demonstrate broad support for repeal. In addition, the number of cosponsors of the House repeal bill (HR 674) has risen to 101 members, while the combined total on the two Senate bills (S. 89/S. 164) comes to 16. OIA will continue to monitor this issue as well as attend the May 26th hearing.

PENDING DEAL ON THREE TRADE AGREEMENTS

The White House is moving to revamp stalled trade negotiations with South Korea, Colombia and Panama, along with discussions on the renewal of Trade Adjustment Agreements (TAA) benefits for U.S. workers hurt by foreign competition. TAA is a major component in the U.S. comprehensive legislative agenda for trade policy and includes Permanent Normal Trade Relations for Russia. This announcement on Wednesday by the Obama administration will begin the first major congressional deliberations about international trade in more than three years. A renewed commitment from the White House to help the sale of U.S. beef in South Korea and stronger union protections in Colombia was instrumental in advancing technical talks. Trade deals must pass through Congress, allowing the House and Senate 90 days to vote on the pacts. The White House faces resistance from many labor unions and constituencies in the U.S. as it works to renew concessions from the Korean, Colombian, and Panamanian governments. The Government of Colombia, under the agreed Action Plan Related to Labor Rights, has agreed to address several labor-related concerns. The administration signaled Wednesday that the

Colombian government had passed the first stage of several steps in agreements aimed at increasing protections and rights for union members in Colombia. House Republicans leaders applauded the deal, affirming their belief that the administration will meet their requests to advance three unfinished, bipartisan trade agreements with Colombia, Panama and South Korea. Opposition remains as U.S. unions oppose the Colombia deal, however, and are split over the pact with Korea. The United Auto workers are in favor of the Korean pact, while the AFL-CIO and other unions are against it. The White House will monitor Colombia's progress on the pacts before sending a bill to Congress. An official specified that each trade agreement has been crafted to stand alone and that uncertainty remains about the fate of expired trade preferences for developing countries. Talks have also begun with normalizing trade relations with Russia.

REP. DEBBIE WASSERMAN SCHULTZ TO CHAIR DNC

Rep. Debbie Wasserman Schultz was elected and sworn-in as the chairwoman of the Democratic National Committee, becoming the first female party chairperson in nearly forty years. President Barack Obama selected Wasserman Schultz to replace former Virginia Gov. Tim Kaine. DNC members voted on her unopposed nomination in Washington. Wasserman Schultz has vowed to uphold the committee's "50-state strategy," to "explore every nook and cranny of this country in seeking support for the President and Democratic candidates." The chairwoman emphasized the need to illuminate the stark policy differences between Democrats and Republicans. A four-term congresswoman representing parts of a Broward and Miami-Dade Counties, Wasserman Schultz has been emphasized her proven ability to raise funds for the party, rally women, appeal to Jewish voters and juggle multiple responsibilities.

HOUSE PASSES OFFSHORE OIL PRODUCTION BILL

On Thursday, the House passed the first of three measures aimed at increasing offshore oil productions. The bills, sponsored by House Committee on Natural Resources Chairman Doc Hastings, (WA), calls for the Department of the Interior to conduct offshore oil and gas lease sales in the Gulf of Mexico and off the coast of Virginia. Thirty-three Democrats joined most of the Republican caucus in support of the bill, allowing it to pass by 266-149. Two Republicans, Walter B. Jones of N.C., and Ileana Ros-Lehtinen, voted against the bill. The legislation has been supported by Republicans who endorse the measure as a jobs bill that will also advance energy production and eventually decrease the cost of fuel. The new measure considers the existing environmental impact statement issued for the five-year Outer Continental Shelf plan in 2007 and Multi-Sale Environmental Impact Statement as satisfactory in meeting the necessary environmental requirements. The measure will have to pass through the Senate, where Sen. Jeff Bingaman (NM), chairman of the committee on energy and natural resources, is set to partner with Republicans to craft a new energy safety bill and legislation that addresses the production concerns associated with offshore drilling. Withholding the threat of a veto, the Obama administration released a policy statement opposing the measure, expressing concern that safety and environmental reforms would be undercut; and calling for rigorous environmental analyses before drilling lease sales are held. Democrats that oppose the measure have insisted that it does not alleviate pain at the gas pump and that it ignores the lessons learned from the Deepwater Horizon disaster. On Tuesday, the House expects to pass a second bill in a series of measures

designed to increase offshore energy production. That measure (HR 1229) would accelerate the permitting process for leases in the Gulf of Mexico.

SURFACE TRANSPORTATION BILL IN PROGRESS

House Committee on Transportation and Infrastructure Chairman Rep. John Mica described the House's surface transportation authorization bill as a "devolution to the states," that would seek to reduce federal government involvement in transportation projects. The Chairman said the committee hopes to have a bill written by Memorial Day. The bill would "close the door" on Department of Transportation and remove the federal government from the approval process, Mica said. Meanwhile, the Senate and Obama administration are also drafting their own surface transportation bills. The White House's 500-page report was leaked on Thursday, which included a controversial tax on vehicle miles. The idea behind the provision was to raise road-repair revenues in the age of electric cars, which don't pay gas taxes like conventional vehicles. President Obama's administration backed away from the provision on Thursday, stating that the idea hadn't been formally circulated to the president. Other notable changes in the White House's draft for the six-year transportation bill: a drastic increase in penalties on automakers that fail to recall vehicles, new state grants to adopt mandatory alcohol ignition interlocks for drivers convicted of drunken driving, and state grants to encourage mandatory motorcycle helmet laws. The Senate is scheduled to release its bill around Memorial Day.

BIDEN LEADS DEBT TALKS

Vice President Joe Biden met with a bipartisan group of lawmakers Thursday at Blair House to begin negotiations on reducing the national deficit. In the first of a series of upcoming meetings, Biden emphasized finding common ground. House Committee on the Budget Paul Ryan (WI) said the GOP budget blueprint that overhauls Medicare and would cut \$6.2 trillion over a decade is the starting point for Republican negotiations. House Republicans said any bill that raised taxes would be a non-starter in the Republican House. Senate Majority Leader Harry Reid (NV), responded by saying Democrats are prepared to prevent drastic cuts to Medicare, Medicaid and Social Security. The Office of Management and Budget Director Jacob Lew briefed the group on President Obama's main priority: to reduce the deficit to 2.8 percent of the nation's gross domestic product by 2015. Also discussed was the nation's debt limit, which is set to max out at \$14.3 trillion. Treasury Secretary Timothy Geithner talked about the importance of raising the debt ceiling in order for the U.S. to meet its obligation to borrowers and beneficiaries of programs such as Social Security. Earlier this week, Geithner moved back the deadline for raising the debt ceiling to Aug. 2nd, giving lawmakers more time to negotiate. The bipartisan group has six more meetings planned. The next meeting is on Tuesday, May 10th.

CLIMATE COMMUNITIES: ELECTRIC CAR INFRASTRUCTURE

OIA participated in the weekly Climate Communities webinar focusing on electric vehicles on Thursday. The EPA-sponsored program supports the Obama administration's request for \$200 million to continue developing community-level support for electric vehicles. The competitive grants would go to communities to invest in electric vehicle infrastructure. So far this money hasn't been appropriated by congress. In the meantime, Climate Communities is working to help

communities prepare for the infrastructure needed to accomplish the president's goal of having one million electric cars on the road by 2015. Electric power is the only fuel considered for grants currently is paid by the Department of Energy. Communities are encouraged to team up with other "Clean Communities," auto dealerships, public and private auto fleets when writing their applications. The Department of Energy estimates making 10-15 awards of \$250,000-500,000 this year, or about \$5 million total. The webinar also mentioned "Project Get Ready," which is a program started by the Rocky Mountain Institute, whose mission is to provide a game-plan that communities can use to prepare for the use of electric vehicles. It includes 15 "must have actions" and 10 "nice to have actions." The most notable "must have actions:" proving to car manufacturers that there is a demand for electric vehicles by getting participation from private and public fleets. Also, to create incentives for buyers of electric cars by offering free or preferred parking, free charging, tax rebates, and low-interest bank loans.

CALENDAR

Congress resumes legislative business on Tuesday, May 10th. During next week's session the Senate is expected to mark-up the FY12 budget. Members return home for a week of constituent work the following week.