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End of August Update

State Issues

Redistricting

by: County Staff

The Florida Legislature completed its' around the state listening tour intended to compile testimony from the public about state and federal redistricting. The Legislature will now move its hearings to Tallahassee where they will meet during the first scheduled committee week September 19-22. While it is not known when the legislature will file their initial proposed district maps, there are already maps that have been proposed by the public and submitted to the legislature. To view those proposals or to develop maps of your own using the state's software for submittal, go to www.floridaredistricting.org.

Palm Beach County Legislative Delegation to Begin Local Hearings

by: County Staff

The Palm Beach County Legislative Delegation will begin its local Delegation meetings next Wednesday, September 7th at 2:00pm at the Scripps Research Institute, 130 Scripps Way, Jupiter. A list of all future meetings of the Legislative Delegation can be found at http://www.pbcgov.org/legislativeaffairs/pdf/Public_Hearing_Schedule_Fall_2011.pdf.

Federal Issues

UASI Update

by: Alcalde & Fay and County Staff

Representatives from Broward County, City of Ft. Lauderdale, City of Miami, City of Miami Gardens, City of Miramar, City of Pembroke Pines, City of Key West, Miami-Dade County, Monroe County, and Palm Beach County discussed plans this week to approach the Department of Homeland Security in an effort to secure a Tier I ranking for the South Florida Urban Area Security Initiative. The group plans to meet in DC September 14-15 to provide additional information to Members of Congress and agency staff about factors in the DHS Risk Assessment Formula that we believe were overlooked by the Department when assessing the region. Those factors include population, tourist rate and federal assets. DHS by statute has ultimate discretion in the allocation of these funds. Currently 11 regions are ranked as Tier I UASIs. It was noted that #11 San Diego is slated to get \$6.5 million more in UASI funding than Ft. Lauderdale/Miami during 2011/12.

Surface Transportation Bill

by: Becker & Poliakoff

The Senate is expected to start moving its draft surface transportation bill as well as a short-term extension through committee as soon as the second week of September. Senator Barbara Boxer, D-CA, chairwoman of the Environment and Public Works Committee, aims to mark up a clean four-month surface transportation extension on Sept. 8.

It is also possible that the committee could mark up its two-year draft surface transportation bill the same date. However, that depends on attaining GOP agreement on revenue raisers being sought by Senator Max Baucus, D-MO, chairman of the Senate Finance Committee.

Baucus is believed to be shopping some kind of deficit-neutral package worth about \$12 billion in additional surface transportation spending to Republican members on the Finance Committee.

Sen. Boxer will try to get floor time for the new extension the week after the committee markup — the week of Sept. 12.

In any case, it is a tacit acknowledgment of what has long been considered obvious: that the surface transportation bill will not be enacted by the time the current short-term extension expires at the end of September.

The real question is how a short-term extension may fare in the House, considering the two-week war sparked earlier this month by a short-term Federal Aviation Administration extension.

The FAA's authority to collect and expend the excise taxes that fuel much of the aviation system was allowed to lapse for about two weeks just prior to the August recess.

Chairs of Joint Select Committee on Deficit Reduction Prepare for Deliberations

by: Becker & Poliakoff

Sen. Patty Murray (D-WA) and Rep. Jeb Hensarling (R-TX), the co-chairs of the Joint Select Committee on Deficit Reduction, announced last week they have begun working together to prepare for the committee's upcoming efforts to develop recommendations for reducing the federal budget deficit.

In a joint [statement](#), Murray and Hensarling commented: "In our capacity as co-chairmen, we are engaging in serious discussions to determine what set of rules will govern the committee's operation, examining a schedule of potential meetings and exploring how to build a committee staff that will help us achieve success. Additionally, most of the committee members are reviewing the deficit reduction work that many others have engaged in over the past several years. We are confident that most Americans will agree that when building an organization from the ground-up with a short time-table for success, it's important to get it right the first time."

The deliberations of the Joint Committee will be a major focus of attention after Congress reconvenes on September 6 following the current summer recess period. Under the Budget Control Act of 2011, the Joint Committee is required to hold its first meeting no later than September 16 and is charged with voting on deficit reduction legislation by November 23.

The 12 members of the Joint Committee – three Democrats and three Republicans from each chamber – were appointed by House and Senate leaders. House Speaker John Boehner (R-OH) and Senate Majority Leader Harry Reid (D-NV) each appointed one of the two co-chairs.

Members of the Joint Select Committee on Deficit Reduction are:

- Rep. Jeb Hensarling (R-TX), Republican co-chair
- Senator Patty Murray (D-WA), Democratic co-chair
- House Ways and Means Committee Chairman Dave Camp (R-MI)
- House Energy and Commerce Committee Chairman Fred Upton (R-MI)
- Senate Finance Committee Chairman Max Baucus (D-MT)
- Senator John Kerry (D-MA)
- Senate Republican Whip Jon Kyl (R-AZ)
- Senator Patrick Toomey (R-PA)
- Senator Rob Portman (R-OH)
- Assistant Democratic Leader Jim Clyburn (D-SC)
- Rep. Xavier Becerra (D-CA), Vice Chair of the House Democratic Caucus
- Rep. Chris Van Hollen (D-MD), Ranking Democratic Member of the House Budget Committee

Expedited procedures are established for the consideration of the Joint Committee's bill in both the Senate and the House. If legislation is not enacted by January 15, 2012 to achieve at least \$1.2 trillion in deficit reduction and if a balanced budget amendment is not sent to the states for ratification, the Office of Management and Budget (OMB) would be directed to initiate a sequestration order for across-the-board spending cuts to make up for the shortfall in targeted savings. These cuts would begin in fiscal year 2013 and would be applied across most categories of federal spending, including Medicare, but not Medicaid and Social Security.

CBO Issues Report on Budget and Economic Outlook

by: Becker & Poliakoff

On August 24, the Congressional Budget Office (CBO) released an updated report on the nation's budget and economic outlook.

The CBO report projects that the federal government will run a budget deficit of approximately \$1.284 trillion in fiscal year 2011 (8.5% of gross domestic product), only slightly less than the \$1.294 trillion deficit that was recorded last year. Noting that this will be the 3rd largest budget shortfall in the past 65 years, CBO states that "the United States is facing profound budgetary and economic challenges." Looking ahead, CBO projects that the budget deficit will decline, as a share of gross domestic product (GDP), from 8.5% in 2011 to 3.2% in 2013 to 1.2% by 2021. The total budget deficit over the next ten years (2012-2021) is projected to be \$3.487 trillion. These projections are based on a continuation of current law, including the policy changes recently enacted under the Budget Control Act of 2011. The projections do not reflect the possibility that Congress may extend certain tax cuts that are scheduled to expire.

In discussing the economic outlook, the CBO report projects that real GDP will increase by 2.3% in 2011 and by 2.7% in 2012. The unemployment rate is projected to fall from 9.1% in the second quarter of 2011 to 8.5% in the fourth quarter of 2012, and then to remain above 8% until 2014. CBO also projects that inflation will remain below 2% over the next several years.

Speaker Requests List of Proposed Regulations

by: Becker & Poliakoff

Last week, House Speaker John A. Boehner wrote to President Obama seeking a list of all proposed regulations that would have an economic impact exceeding \$1 billion. The Obama administration has purportedly identified 219 planned new rules, each with estimated annual costs exceeding \$100 million, an almost 15% increase over last year. Speaker Boehner asked that the

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information he requested be provided by the time Congress reconvenes in September, so lawmakers will have the information as they take up the regulatory overhaul bill.

House Majority Leader Eric Cantor (R-VA) stated the chamber would press to roll back rules that cause "regulatory uncertainty" and stifle business growth. EPA and National Labor Relations regulations would be prime targets in a comprehensive regulation overhaul potentially brought to the House floor this fall. The measure ([HR 10](#)) would require congressional approval of all regulations with an estimated annual economic cost of more than \$100 million.

Cass Sunstein, head of the White House Office of Information and Regulatory Affairs, said that a wide-ranging review of unneeded regulations ordered by President Obama in January would save about \$10 billion over five years and create jobs. Sunstein said the effort had led to 500 regulatory changes across federal agencies, including more than 100 at the Transportation Department, 77 at the Department of Health and Human Services, and 37 "high-priority items" at the EPA.

GOP critics say any progress on scaling back existing regulations that affect businesses are more than offset by the new rules proposed by the administration. Republican lawmakers, the U.S. Chamber of Commerce and American Petroleum Institute have been attacking the Obama administration for pressing regulations that they allege are hampering job creation.