

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Study Session Worksheet

Presentation Date: July 24, 2012 **Start Time:** 10:30 am **Length:** 1 hour

Presentation Title: Federal Agenda Update

Department: Public and Government Affairs

Presenters: Gary Schmidt

Other Invitees: Hal Hiemstra and Michelle Giguere, Ball Janik

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

- Review status update of the County's 2012 federal agenda.
- Reaffirm or revise previously identified federal agenda priorities.
- Discuss federal agenda lobbying trips for remainder of 2012.

EXECUTIVE SUMMARY:

In January, the Board of County Commissioners approved the County's 2012 federal agenda:

- Support continuation of the **Secure Rural Schools and Community Self-Determination Act of 2000** (county timber payments).
- Support legislation for **responsible management of federal forest lands**.
- Advocate for passage of a **surface transportation reauthorization bill**.
- Secure funding to complete components of the **Sunrise System**.
- Support continued operation of the **Willamette Falls Locks** and designation of the **Willamette Falls Heritage Area**.
- Support **critical funding programs** for Juvenile Services; Public Safety; Emergency Management; Health, Housing and Human Services.

In March, County Chair Lehan and Commissioners Bernard and Linger visited Washington, D.C. to promote the County's federal agenda by meeting with Congressional members and staff and federal agency representatives.

The County contracts with the lobbying firm Ball Janik to develop and implement strategies to accomplish County goals. Today, the Ball Janik team is present to discuss the current federal climate and update the Board on the status of the County's federal priorities. Attached is a memo from Ball Janik.

FINANCIAL IMPLICATIONS (current year and ongoing):

Depending on action or inaction by Congress, the County may face reduced or eliminated federal revenue sources for key County programs. Potential implications are outlined in the attached Congressional Update Memo.

LEGAL/POLICY REQUIREMENTS:

None

PUBLIC/GOVERNMENTAL PARTICIPATION:

Public and Government Affairs (PGA) continues to work closely with the Board of Commissioners, County Administration and County departments to develop strategies and approaches to pursue federal funding for important County projects and to guide federal policy issues that have the potential to impact Clackamas County. PGA also continues to build and maintain effective partnerships with the Congressional delegation members and staff to work together on these shared priorities.

OPTIONS:

- Reaffirm the County's 2012 federal agenda.
- Direct staff to investigate or research additional priorities for consideration.
- Determine which Commissioners, if any, to visit D.C. in the fall.

RECOMMENDATION:

Staff recommends the Board reaffirm the County's 2012 federal agenda. Staff recommends that at least one Commissioner visit Washington, D.C. in the fall to continue advocating for the County's federal priorities.

ATTACHMENTS:

- County 2012 Federal Agenda.
- Congressional Update Memo from Ball Janik.

SUBMITTED BY:

Division Director/Head Approval _____
Department Director/Head Approval Gary Schmidt
County Administrator Approval _____

2012 Federal Legislative Priorities



Like most governments, Clackamas County is facing a challenging economic environment: operating expenses and demand for public services are rising while traditional sources of revenue are declining. While Clackamas County is well positioned for this challenge, it has become increasingly difficult to provide the critical services that residents rely upon in an environment of dwindling resources. The County is committed to work in partnership with the Congressional delegation and federal agencies to address this challenge in order to create healthy, safe and sustainable communities.

The following federal legislative priorities are organized according to the Board of County Commissioners' key areas of focus: to provide financial stability and leadership; to create a network of vibrant communities; and to keep residents safe, healthy and secure.

Provide Financial Stability & Leadership

- Support continuation of the **Secure Rural Schools and Community Self-Determination Act of 2000**, a historically important source of revenue derived from federal lands. This Act is critical to timber-dependent counties in Oregon, including Clackamas County. 51% of the County's land is federally owned. This Act has provided the County about \$12 million per year since 2001.
- Support legislation for **responsible management of federal forest lands that provides a sustainable and predictable long-term solution to County revenue needs**. This legislation should balance economic, social and environmental values so that significant areas of federal forest are focused on environmental protection and significant areas of federal forest are also focused on producing forest products.
- Advocate for passage of a **surface transportation reauthorization bill** that adequately funds federal transportation programs in order to improve the reliability and safety of our transportation system and meet the needs of our interconnected economy.

Create a Network of Vibrant Communities

- Secure funding to complete components for the **Sunrise System**. The Sunrise System will provide congestion relief by constructing a new roadway, providing enhanced regional and local mobility and connectivity to a key industrial area of the region. \$44 million in funding is needed to complete the Lawnfield Connection Project, Sunrise System Multi-Use Path and Pedestrian Connections and the Tolbert Overcrossing.
- Support continued operation of the **Willamette Falls Locks** and designation of the **Willamette Falls Heritage Area**. The historic Willamette Falls area should be

preserved and restored so that it may continue to provide the economic, recreational and historic drivers to the region.

Keep Residents Safe, Healthy & Secure

Juvenile Services

- Support continued funding of the **Juvenile Accountability Incentive Block Grants**, which provide the County's Juvenile Department with critical financial and programmatic support to improve infrastructure, operations and accountability-based programs for youth.

Public Safety

- Support stable funding of the **Victims of Crime Act (VOCA)**, which funds county programs and services that help victims in the immediate aftermath of a crime and support them as they rebuild their lives.
- Support grant funding for the Sheriff's Office's key public safety programs, including the **Regional Narcotics Team; Clackamas County Interagency Task Force**, which is the first coordinated group effort by local and federal law-enforcement officials to solve methamphetamine problems in Clackamas County; and the **Interagency Child Exploitation Prevention Team**, a local, state and federal partnership formed to protect children from online sex predators.
- Support legislation that dedicates the **700 MHz D Block wireless broadband spectrum** to public safety use by police, fire and rescue squads and prevents its sell off to private vendors. Allocating the D Block to public safety will allow for a nationwide interoperable network for emergency communications that can prevent the kinds of communication breakdowns that have hampered first-responders in recent disasters.

Emergency Management

- Support continuation of grant funding for the **Emergency Management Performance Grant (EMPG) Program**, which has provided \$200,000 - 400,000 annually to the County's emergency management program and provides key assistance in building and implementing a countywide emergency preparedness system.
- Support continuation of the **Federal Hazard Mitigation Grant Program**, which provides financial support for mitigation projects such as buy-outs of flooded properties and retrofitting critical facilities to help them withstand hazards.
- Advocate for no scale back of **Urban Area Security Initiative (UASI) grants**, which would exclude the Portland metropolitan region from funding and would result in a loss of \$6 - \$12 million in federal assistance per year. These grants are key to enhancing the Portland metropolitan region's preparedness efforts for threats or acts of terrorism.

- Support **Federal Emergency Management (FEMA) funding** to allow quick and timely access to these funds in times of need. Clackamas County is a large, geographically diverse area that faces potential hazards including volcanic activity, earthquake, flooding and wildfires. Rapid assistance in disasters is critical to minimizing significant injuries, health detriments, property and environmental damage.

Health, Housing and Human Services

Health Care

- Support current **Medicaid funding** levels, which provide significant funding for county health services.
- Monitor changes to **Substance Abuse and Mental Health Services Administration (SAMHSA)**.

Social Services

- Support critical safety net funding, such as **Community Development Block Grants (CDBG), Community Services Block Grants (CSBG), Low Income Home Energy Assistance Program (LIHEAP)** and funding for the **Older Americans Act**.

Housing and Community Development

- Advocate for **no sweep of public housing reserves** and no further funding reductions to the **Department of Housing and Urban Development (HUD)'s Capital Fund** program and **Public Housing Operations Subsidy**, which are critical to preserving housing and support services for very low-income residents.
- Support the passage of the **Section Eight Savings Act (SESA)** of 2011 to strengthen the housing voucher program, the nation's most widely used form of low-income housing assistance. SESA will enable local agencies to stretch limited funds, help more needy families and acquire greater flexibility by easing administrative burdens.
- Support funding for **Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act** of 2009, which will cover costs associated with increased reporting and maintenance requirements of the Homeless Management Information System (HMIS).

Community Solutions

- Advocate for no reductions to **Workforce Investment Act (WIA)** formula and grant funds, which support key educational and job training programs. The workforce development system in Clackamas County brings together industry, labor, training facilities, social services and economic development agencies for the sole function of creating a highly skilled workforce to meet the unique needs of the local economy.



655 Fifteenth Street, NW, Suite 225
Washington, DC 20005

balljanik.com

t 202.638.3307
f 202.783.6947

MEMORANDUM

Hal Hiemstra
Director, Government Affairs
hhiemstra@balljanik.com

TO: Clackamas County Board of County Commissioners

FROM: Hal Hiemstra
Michelle Giguere
Mark Dedrick

DATE: July 17, 2012

CLIENT: Clackamas County

RE: Congressional Update

Thank you for the opportunity to visit with you at your July 24 Work Session. We appreciate the chance to provide you with a brief Congressional update and hope this written summary of Congressional actions will make our time together as productive as possible.

Clearly, the upcoming national election is having a significant effect on how Congress is functioning this summer. While Congress did recently pass a two-year transportation reauthorization bill ("MAP 21") that includes a one-year extension of SRS (County Payments), people do not expect Congress to act on any other significant legislation before the November election. While there is some speculation that the pending Farm Bill Reauthorization might be voted on in the House in the coming weeks, few people expect that a joint House/Senate conference on a final Farm Bill will come together until after the November election during a lame duck session of Congress.

Sequestration: You will recall that last summer when we visited with you, the Congressional "super committee" was busy trying to agree to a grand bargain on spending and tax policy which would keep the United States from defaulting on its debt and allow Congress to expand the debt ceiling. Though the debt ceiling was ultimately raised, since no spending deal was reached, automatic spending cuts of nearly 8% (*\$109 billion in FY13 and \$1.2 trillion over the next 10 years*) for both domestic and defense discretionary programs are now scheduled to begin on January 2, 2013.

Lawmakers in both parties are increasing the pressure on the Obama Administration to spell out how federal agencies would implement automatic, across-the-board spending cuts at the start of next year.



The push for more information comes amid a growing outcry from Congress and from groups that would be affected by the impact of the \$109 billion in spending cuts. The alarms have spread from the defense world to advocates of domestic programs, who warn that public safety, law enforcement, education and other areas would be affected by the blunt cuts.

Currently, the Obama Administration has so far instructed agencies to prepare budget requests for fiscal 2013 as if the sequester will be averted, and lawmakers for months made do largely with general observations of its potential impact. These instructions certainly point to the expectation that eventually Congress will make some type of new budget/tax deal and avoid the long-term sequestration of funds. But, when or how a deal will be reached is caught up in the ongoing debate over looming defense cuts and expiring Bush-era tax cuts.

Democratic leaders and the President are saying that they will refuse to entertain any talk about separating \$550 billion in defense cuts from the overall \$1.2 trillion in across-the-board spending reductions — despite repeated demands from GOP leaders and the Pentagon to do so. The president recently reiterated there will be no compromising on extending Bush-era tax breaks for U.S. households earning more than \$250,000 annually.

While we can certainly envision a scenario in which a deal could be reached during the lame duck session of Congress, we can also envision a scenario in which the sequestration is allowed to go into effect on January 2 — at least for a few weeks. It is important to understand that the anticipated cuts caused by the sequestration won't actually all happen at once. In fact, the so-called "fiscal cliff" is actually a "fiscal slope" which will allow Congress time in the first few weeks or months of 2013 to negotiate a deal which would be much more nuanced and specific as opposed to across-the-board cuts. And, they would be able to do it in a fiscal environment that has billions of additional dollars in revenue which would automatically be counted when the Bush-era tax cuts expired at the end of 2012. At that point, any budget deal would likely include tax cuts for the middle class, freeing up members to vote for it without violating any previous pledges they may have taken to not raise taxes.

Bottom line — even if sequestration is allowed to take effect in January, its initial impacts are not likely to be devastating, but the threat of long-term mandatory budget cuts which *would* be devastating will likely force both sides back to the bargaining table in January, and result in a budget agreement that will involve both increased revenues and more specific budget cuts as opposed to across-the-board cuts.

FY13 Federal Appropriations: Although both chambers might work on appropriations measures this month, Congress appears unlikely to clear many, or perhaps any, fiscal 2013 spending bills before Election Day. Before the new fiscal year starts Oct. 1, Congress will need to clear a stopgap funding measure, or continuing resolution (CR).

Generally, House bills are being considered at funding levels that comply with the budget put forward by House Republican Budget Committee Chair Paul Ryan, which is lower than the funding level agreed to last year when Congress passed



the Budget Control Act. As a result, the White House has issued veto warnings on all the House spending bills that have reached the floor, saying the president will not accept the bills because the House's overall discretionary spending target of \$1.028 trillion is \$19 billion below the level agreed to last year. The Senate bills are being written at levels that are akin to the Budget Control Act. Most likely, in the end, the House and Senate appropriation bills will be bundled together during the lame duck session and passed as one or perhaps a few omnibus spending bills. The level of spending in those bills will be significantly impacted by the outcome of the November election. If the Democrats retain control of the Senate and the White House, the omnibus spending bills will probably appear more like the Senate bills. If the Republicans retain control of the House and take over control of either the Senate or the White House, the omnibus spending bills might look more like the House bills.

Following are breakdowns of a few individual bills which could directly affect services in Clackamas County.

- **Commerce-Justice-Science**

House: The House passed its bill (HR 5326) on May 10, with 23 Democrats joining the majority in a 247-163 tally.

Senate: Appropriators approved their bill (S 2323) on April 19 on a 28-1 vote. Floor action is possible this month, although revisions are being made due to unauthorized funding shifts at the National Weather Service.

Issues: House Republicans want to provide less money than Senate Democrats favor for law enforcement grants (COPS grants in particular). The House bill would provide \$51.1 billion in discretionary funding, a drop of \$1.6 billion from the current level. The Senate bill would provide \$51.9 billion.

- **Interior-Environment**

House: Appropriators approved the bill June 28 by a vote of 26-19.

Senate: Appropriators might introduce their bill in July.

Issues: Disagreements likely will include the GOP's bid to cut the EPA's budget by \$1.4 billion, to \$7 billion. The House bill would provide \$28 billion in discretionary funding, a drop of \$1.2 billion from the current level. The Senate bill has a discretionary allocation of \$29.7 billion.

- **Labor-HHS-Education**

House: Appropriators might unveil their bill in July, but it is unlikely to move before the elections.

Senate: The bill (S 3295) was approved, 16-14, by the Appropriations Committee June 14, but subcommittee Chairman Harkin indicated it probably won't be on the floor before the elections.



Issues: There are partisan disputes over implementation of the 2010 health care law and issues involving organized labor. The Senate bill would provide \$158.8 billion in discretionary funding, \$2 billion more than the current level. The House bill has an allocation of \$150.0 billion.

- **Transportation-HUD**

House: The bill (HR 5972) passed June 29 by a 261-163 margin, with the backing of 79 Democrats.

Senate: Appropriators passed the bill (S 2322) April 19 on a 28-1 vote.

Issues: The two bills are largely in agreement on some of the larger programs, including Community Development Block Grants. The House bill would provide \$51.6 billion in discretionary funds, while the Senate version would provide about \$53.4 billion.

Status of Clackamas County's Legislative Priorities

Congress has recently acted on two of the three top federal legislative priorities of the County. Congress passed "MAP 21" (Moving Ahead for Progress in the 21st Century), a 27-month long surface transportation reauthorization bill. And, Congress included a one-year extension of the Secure Rural Schools Act – more commonly called the County Payments program. Congress has not acted on the 3rd priority, which calls for passage of a long-term forest management act which would eliminate the need for perennial legislative fights over the County Payments program. Following are a few details about the first two priorities.

Surface Transportation Reauthorization Bill – On July 6, President Obama signed HR 3484, the Moving Ahead for Progress in the 21st Century Act or "MAP 21." Congress passed this transportation reauthorization bill after 10 extensions and nearly three years past the expiration date of the previous transportation bill. Depending on one's perspective, there is much to like or dislike in this bill, (generally, traditional highway stakeholders are somewhat pleased while the transportation reform community is critical of the final product) but overall, perhaps the most remarkable thing to initially acknowledge is that the bill was finished at all.

Following a breakdown between the Senate and House conferees in late June, Senate Leader Harry Reid and House Speaker John Boehner called together Senate Chairman Barbara Boxer and House Chairman John Mica and urged them to go back and double down on their efforts to reach a compromise. They did, and a 27-month reauthorization bill (typically, reauthorization bills are 6 to 7 years in length) emerged as the compromise bill.

Senator Boxer and Representative Mica are calling the bill the most significant transportation reform bill of our times. While that characterization may be a stretch, the bill does include some innovative funding provisions (which could prove beneficial to megaprojects like CRC) and project delivery streamlining. In



many ways though, the new bill reverses many of the transportation reforms that were begun when Congress passed the ISTEA legislation more than 20 years ago. Senator Boxer had included a number of transportation reform measures in the bill that initially passed the Senate, but in her successful effort to keep two non-germane issues out of the final transportation bill (Keystone XL pipeline and limits on EPA's regulation of Coal-Ash), she negotiated a compromise that removed some of the more progressive reform measures in the original Senate bill.

Dropped from the final bill were provisions that required development of a national freight program (though watered down freight policy language was included), language calling for the development of a national rail plan, requirements for dedicated highway and bridge repair funding or requirements that federal transportation dollars be spent on maintaining our transportation system before building new facilities, new requirements on transparency and accountability, safety requirements that ensured that the design of federal transportation projects provides for adequate consideration of non-motorized users, increased flexibility on ways that transit dollars could be spent, various performance measurements, and hard fought compromises concerning the Transportation Enhancements program.

Overall funding: Nationally, the 27-month authorization will provide \$118 billion for transportation spending. Stakeholders and the construction industry applauded the bill as one "that will bring much needed certainty and program stability" for at least the next 27 months.

While the new funding levels for both highways and transit maintain transportation funding at current (FY12) funding levels, Oregon will actually receive about \$35 million less than it did in FY11, but FY11 was an unusual year to compare federal funding because that year federal funding spiked reflecting stimulus spending as well as the distribution of formula funding that would have otherwise been distributed through Congressional earmarks.

Innovative Financing: A more than six fold increase in funding was allotted to the Transportation Infrastructure Finance and Innovation Act (TIFIA) program. Under the 27-month authorization, TIFIA funding will increase from \$122 million annually to \$750 million in FY13 and \$1 billion in FY14. TIFIA loans were also increased from a maximum of 33 percent of the cost of a project to 49 percent of the cost of a project – though the total project cost must now exceed \$50 million. The new TIFIA funding might be a source of funding for the CRC project – especially since TIFIA loans will need to be paid back and the CRC is expected to be a toll project. TIFIA program changes also expanded the repayment period from 35 years to the life of the asset.

The new bill also authorizes \$500 million in FY13 for Projects of National and Regional Significance. It will be up to the appropriators though, to fund the PNRS program next year since the funding was authorized but not guaranteed. Eligible applicants for PNRS projects include only states, transit agencies and tribes, and the minimum cost of the overall project must total \$500 million. This suggests that PNRS funding will only be provided to 3 or 4 winners nationally.



The popular TIGER program (eligible to all applicants) was not authorized in MAP 21. However, Senate Appropriators have shown in the past that they are supportive of the TIGER program (it wasn't authorized previously) and they may in fact, continue to provide TIGER funding in the future. Given the fact that Congress failed to authorize the program in the surface transportation *authorization* bill, it may be politically difficult for Senators to fund the program though, especially since most of the appropriators voted in favor of MAP 21.

Environmental Streamlining: The House prevailed upon the Senate to agree to stronger reforms to the project delivery process, including an expanded use of the "categorical exclusion" process. The conference bill provides for setting a 4-year deadline for project approval and for exempting more categories of projects from full environmental impact statements (EIS). The exemptions now include repair of existing highways and bridges, reconstruction of projects damaged in natural disasters; projects within an existing ROW; and projects receiving minimal federal assistance (\$5M or less). These changes are likely to affect proposed projects or the expansion or extension of existing federally assisted projects in Clackamas County, and may make it easier, faster, and less expensive to start and complete such projects.

Future Bike/Ped funding: The Transportation Enhancements program survived – though it is now called Transportation Alternatives and will be funded at a level that is approximately 33% lower than previous levels. Under previous law, there was a separate TE program, a separate Safe Routes to School Program, and a separate Recreational Trails Program. Under the conference agreement, all three of these programs are lumped together as "Transportation Alternatives" and funded nationally at approximately \$800 million compared to \$1.2 billion previously. The conference agreement included language requiring that 50% of a state's TA funding be sub-allocated to local governments (based on population)– but the agreement also added language permitting states to opt out of spending their 50% of the TA funds and/or transfer that funding to any other program. While *guaranteed* funding levels for these types of projects in Oregon will decline from approximately \$16.1 million in FY11 to \$8.9 million in FY13, ODOT officials are predicting that at least initially, Oregon will continue to fund bike/ped projects at levels similar to past funding. Under the new rules governing sub-allocation, Metro will receive \$1.744 million for TA activities in FY13. Metro will be required to develop a competitive grant process to distribute these funds.

Secure Rural Schools - MAP 21 included a one-year \$346 million extension of the Secure Rural Schools and Community Self-Determination Act – commonly known as the County Payments program. More than \$100 million of the \$346 million will go to 33 of Oregon's 36 counties.

With this one year extension of the Secure Rural Schools Act, Congress has now extended the program four times. It is unlikely that it will do so again. Congress has struggled to develop a sustainable long-term solution that balanced economic, social and environmental values. Last year a bipartisan proposal developed by Representatives Schrader, DeFazio and Walden was released as a discussion draft. Called the *O&C Trust, Conservation, and Jobs Act*, the Act would establish a balanced approach to federal forest management and provide counties with a sustainable and predictable solution to their revenue needs. The



proposal achieves a balance among economic, social and environmental values by protecting old growth forests while allowing for timber production primarily on lands that have been previously harvested. Despite the bipartisan nature of this legislation, it has yet to begin to move through the official process. Representative Schrader recently attempted to offer this proposal as an amendment to the Farm Bill, but it was controversially ruled out of order. While innovative, more work needs to be done to move this legislative proposal through the House and Senate.

Willamette Falls Locks and designation of the Willamette Falls Heritage Area: The Congressional moratorium on earmarked funding continues to hold fast for all FY13 appropriation bills. As a result, efforts to secure specific earmarked funding for Willamette Falls Locks have not been successful. However, while the House Energy and Water Appropriation bill does not mention Willamette Falls within the U.S. Army Corps of Engineers budget, the Corps of Engineers included the project in the President's budget proposal to Congress and the Senate bill reflects that request -- specifically including \$110,110 dollars for "Willamette River to Willamette Falls." This is likely only enough funding for basic monitoring of the facility.

(As an aside, discussions among both Democrats and Republicans suggest that the current earmark moratorium may be rethought in the next Congress, with limited earmarking allowed for counties, cities, port districts and other public entities.)

Safety Net Funding - Housing programs within the House Transportation-HUD Appropriations (THUD) bill are funded at \$9.3 billion -- a reduction of \$361 million below last year's level and \$49 million below the Administration's request. Within this total, the bill provides sufficient funding for the most vulnerable populations, including \$165 million for housing for the disabled -- an increase of \$15 million over last year -- and \$425 million for housing for the elderly -- an increase of \$50 million above last year.

Community Development Block Grants (CDBG): Amendments on the House floor to roll back CDBG funding levels failed. The CDBG program is funded at \$3.3 billion -- an increase of \$396 million above last year's level. The bill also provides targeted funding increases to programs such as homeless assistance grants (\$99 million above last year's level), and the HOME investment partnerships program (\$200 million above last year's level). No funds are provided for "sustainable" community grants.

The House bill also contains modest increases in funding for Section 8 and Public Housing (\$759M above last year's levels). Within this total, the bill provides funding to renew benefits for every eligible individual and family currently receiving assistance, and ensures that no critical benefits are eliminated or cancelled. The bill also fully funds the President's request for Veterans housing at \$75 million, and Native American Block Grants at \$650 million.

Community Planning and Development: The House THUD bill contains \$7 billion for Community Planning and Development programs -- an increase of \$299 million above last year's level.



Low Income Home Energy Assistance Program (LIHEAP): Both the House and Senate Labor/HHS FY13 Appropriation bills provide approximately \$3.4 billion for LIHEAP funding. (\$3.47B in the Senate, and \$3.4B in the House.) Within these amounts \$54.5 million is set aside in the House bill for Weatherization – a reduction of \$13 million below FY12 funding levels.

Workforce Investment Act (WIA): In mid-June, the Senate Appropriations Committee approved their FY13 appropriations bill that provides level funding for most workforce programs under WIA and for the Senior Community Service Employment Program (SCSEP). The bill did include one interesting change as it relates to WIA funding. The bill would hold the statewide set aside to 5% except in cases where at least 50% of the funds are used to support training delivered on a local or regional basis for in-demand occupations or industries. If this provision is met, the set aside may increase to 10%.

The House has yet to act on its Labor/HHS Appropriation bill, though a draft of the House bill reflects significantly reduced funding for workforce programs.

Concerning WIA *reauthorization*, on June 7th, the House Committee on Education and the Workforce approved the Workforce Investment Improvement Act of 2012 by a vote of 23 to 15. The approved bill consolidates 37 workforce development programs and makes changes from the bill originally introduced in April 2012. Among other changes, it:

- Protects Job Corps and authorizes 28% of the Workforce Investment Fund to be directed to the program;
- Eliminates specific funding for other youth programs but requires WIBs to describe strategies and services they will use to assist at-risk and out-of-school youth;
- Repeals National Emergency Grants;
- Increases the state set aside for statewide activities from 5% to 10%;
- Further reduces the secretary's reservation from 2 percent to 0.5 percent;
- Reduces the number of full time equivalent (FTE) staff positions at DoL;
- Requires WIBs to include small businesses representatives;
- Adds industry-recognized credentials and recognized postsecondary credentials as a common performance measure; and
- Includes a 100% hold harmless in formula funds for the first fiscal year.

There are several procedural hurdles this bill has to go through before it can be considered by the full House of Representatives. And, with the truncated work schedule due to the upcoming elections, it is unclear whether there will be time to schedule a vote of the full House.

Violence Against Women Prevention and Prosecution Programs: Within the Senate Commerce Justice Science and Related Appropriation bill, the Committee's recommendation provides \$412.5 million for Office on Violence Against Women [OVW] grants. The recommendation is equal to the fiscal year 2012 enacted level. After the Senate passed its version of the Violence Against Women Act, House Republicans trimmed the bill down by \$15 million by rolling back existing protections for undocumented immigrants who are victims of



Memorandum to Clackamas County Commissioners

July 17, 2012

Page 9 of 9

domestic violence and stripping provisions that would extend protections for Native American and LGBT victims.

Community Oriented Policing Services (COPS): As previously described, House Republicans want to provide less money than Senate Democrats favor for law enforcement grants (COPS grants in particular). The House bill would provide \$51.1 billion in discretionary funding, a drop of \$1.6 billion from the current level. The Senate bill would provide \$51.9 billion.

In conclusion, we look forward to visiting with you on the 24th and doing our best to answer any questions you may have about these or other federal issues.