

Memorandum

Date: February 10, 2004
To: Legislative Program Committee
From: Lori Norton, Analyst
Subject: Recommended Federal Legislative Priorities for the 108th Congressional Session - 2004
CC: Jim Laponis, Deputy County Administrator



Background

Waterman and Associates has been retained by the County to provide Federal Advocacy Services in a maximum of 8 issues areas as follows:

- ◆ Comprehensive advocacy (either legislative, administrative, or federal grants / appropriations) on **up to five** issues or projects, and
- ◆ Monitoring and reporting on an additional **three** issues (or up to a total of eight combined advocacy and monitoring issues).

The Committee will note that this model differs from our state lobbying approach in which our state advocate (Cliff Berg, Governmental Advocates) pursues a broad range of issues on behalf of the County.

Waterman and Associates strongly recommends, and staff concurs, that to effectively participate in the federal arena, the County must prioritize and limit the number of federal issues we pursue. This will focus their/our time, energy, and resources in the most critical issue areas. However, if during the year our priorities change significantly, we have the flexibility to add or delete priorities without incurring additional cost, as long as we do not exceed a total of **eight** combined issues with up to **five** advocacy issues.

Identification of Issues and Recommended Priorities

In FY 03, staff solicited input from departments to identify federal issues of importance to the County. Once a list of issues was developed (Attachment A), staff worked with department representatives and Waterman and Associates to develop the list of recommended priorities contained within this report. The process of prioritizing the issues extends beyond an assessment of their relative importance, and includes an assessment of their exclusivity to Santa Barbara County, and our ability to effectively influence the outcome of each.

By way of example, CDBG Entitlement Status is considered both important and exclusive to the County; that is, if we do not advocate for it, no one will. Therefore, staff recommends it as an advocacy priority. On the other hand, although the proposal to end the moratorium on offshore oil drilling is of great importance to many members of our community, staff's perspective is that the

national issues surrounding that decision are such that Santa Barbara County would have very limited influence. As such, staff recommends Waterman and Associates monitor and report on this issue rather than advocate for it. This means we will participate in that dialogue if / when it occurs, but will not be the principal advocate.

Additionally, Board members have stated on several occasions that they hope our federal advocates will be able to assist us in the process of identifying and obtaining federal funding for county projects and programs. The potential to avail ourselves of federal funding is another criteria we used to develop our list of recommended priorities.

Following are the priorities recommended by the Legislative Program Committee:

Comprehensive Advocacy – Up to 5 Issue Areas

1. CDBG Entitlement Status – Continue Advocacy

Santa Barbara County is seeking legislation to amend Title I of the National Housing and Community Development Act of 1974, to allow the County to be designated as an entitlement jurisdiction (Urban County). There would be no fiscal impact on the federal government. The provision, however, would allow the County to access roughly \$3.5 million of Community Development Block Grant and other HUD funds annually for affordable housing and related issues. Waterman's current advocacy has focused on working to obtain a legislative amendment to allow the County to gain entitlement status based on a number of factors, which have resulted in the County being just short of the required population of 200,000. In recognition of current circumstances related to Goleta being offered, and accepting CDBG Entitlement Status as a principal city, we may expand the Waterman's efforts to include exploring a regulatory means of obtaining CDBG Status "off cycle" if we are successful in increasing our population above the required threshold through a cooperative effort with another Entitlement community.

2. Lake Cachuma Surcharge Impacts – Continue Advocacy

Since 1953 the County of Santa Barbara has managed facilities at Lake Cachuma, providing a public regional recreational center under an agreement with the Bureau of Reclamation (Bureau) in the Department of the Interior. The Bureau is currently considering a recommendation, by the National Marine Fisheries Services, to encourage the proliferation of steelhead trout, by raising the level of Lake Cachuma a minimum of three (3) feet. Raising the level of Lake Cachuma by three feet would inundate some County facilities, requiring their removal and rebuilding at an estimated cost of \$10 - 12 million. Waterman and Associates is representing the County's interest by working with the Bureau of Reclamation on issues related to the surcharge and seeking federal funding for costs associated with the removal and rebuilding of the County's facilities, if the surcharge proceeds.

3. TEA-21 Project Funding – Continue Advocacy

Santa Barbara County has identified a number of transportation projects specific to Santa Barbara County that Waterman and Associates would continue to advocate for on our behalf. Projects include funding for capital needs such as road rehabilitation demonstration projects, bikeways, bridges, rail, and other transportation projects. This is an area where the Waterman's have successfully assisted us in communicating our needs, and are working to obtain "earmarked funding" for Santa Barbara County for these types of capital projects.

4. CARA (Conservation and Reinvestment Act)/CIAP (Coastal Impact Assistance Program) – Continue Advocacy

Numerous bills have been introduced to allocate federal Outer Continental Shelf (OCS) revenues. Each one offers amendments to several laws that allocate revenue to states and U.S. territories for environmental and recreational purposes. Important to Santa Barbara County, some of these pending bills promote impact assistance to coastal counties affected by OCS development. However, the formulae for distributing impact assistance to coastal counties does not meet the original objective of allocating a majority of impact assistance funds directly to counties adjacent to producing OCS leases. Waterman and Associates has successfully worked with staff, and a coalition of states, counties, and environmental groups to seek amendments to the allocation formulae in a manner that brings more federal OCS revenue to those counties most affected by OCS development. In 2004, the Waterman's will continue to pursue the County's interest of obtaining an equitable share of any allocation of OCS revenues.

Monitoring / Reporting Issues

1. Beach / Shore Erosion Projects - Continued Monitoring

The federal government has reduced federal funding for beach and shoreline erosion projects. Waterman and Associates would monitor discussion of funding for Beach and Shore projects and seek opportunities for Santa Barbara County to obtain federal funding for specific beach or shoreline erosion projects.

2. Emerging Opportunities – Continue Monitoring

Waterman and Associates would continue their effort to identify federal funding opportunities for Santa Barbara County with a priority on identifying any federal housing funding opportunities. During the past year, the Waterman's have identified two opportunities which the County has pursued: potential for funding for beach erosion projects through the Corps of Engineers, and a competitive grant opportunity offered through the Health and Human Service Department for funding mentoring programs for youths whose parents are incarcerated.

3. Indian Lands / Tribal Gaming – Continue Monitoring

Waterman and Associates has been monitoring two tribal-related bills that were introduced in Congress in 2003. S 578 would amend the Homeland Security Act of 2002, to elevate the status of Indian Tribes, for various purposes, to the equivalent or greater status as State governments. If passed, the bill would overturn numerous U.S. Supreme court rulings and contradicts the terms of most Indian treaties. In addition, the Waterman's have been monitoring S 297, which would reform the federal acknowledgement process for Indian Tribes and provide extensive resources to tribal governments. The County's primary interest in these areas is to balance the sovereign rights of Native Americans with the rights of local governments and the communities they represent. We would propose to have the Waterman's continue to monitor these bills and other Federal legislation, which may further expand the rights of Native Americans. Additionally, we would propose to have the Waterman's continue to monitor and report on Indian Lands Fee-to-Trust legislation, regulations, and specific proposals, which could impact Santa Barbara County.

4. BRAC (Base Realignment and Closure) – Reinstate Monitoring

The Federal Government continues to plan for a new round of base closures scheduled to begin in 2005. Vandenberg's role in the nation's missile defense was enhanced in December when President George W. Bush announced plans to house four operational ballistic missile interceptors there. (As proposed, there will be a total of 20 interceptors located in America, 16 at Fort Greely, Alaska in addition to the 4 to be located at Vandenberg.) Waterman and Associates has been monitoring the progress of BRAC discussions to ensure the County is informed of any discussion to include Vandenberg on a list of bases to be realigned or closed. Although it appears very unlikely that Vandenberg would be included in realignment or closure plans, the process of identifying bases is political and if named, it would take tremendous time and resources to organize the type of coalition necessary to react to such a listing. As such, staff believes it prudent for the Waterman's to continue to monitor the BRAC process. If it becomes apparent that base closures will not occur, or that Vandenberg will not be considered in the realignment process, another monitoring issue will be substituted for this item.

Recommended Action on Other Issues

Emergency Operations Center Funding – Discontinue Advocacy

In 2002, Waterman and Associates was successful in assisting the Fire Department to obtain \$450,000 in FEMA Fire Grant funding. Last year, we were hoping to build upon this success by obtaining funding for a dedicated Emergency Operation Center. Santa Barbara County protects federal and state lands, we are first responders to oil spills, subject to earthquakes and other disasters, and we need additional resources to continue addressing growing life/safety demands. The County has been seeking funding for an Emergency Operations Center, which has been a State Legislative priority, for several years. The County continues to seek approximately \$3 million in building and equipment funding. However, Waterman and Associates has notified us that they recommend the County eliminate funding for the construction of an emergency operations center as an advocacy issue. Congress is very reluctant to fund construction projects for emergency operations and the funding account or program that would be most appropriate provides relatively few funds for such emergency-related activities. The Waterman's would continue to monitor opportunities for the County to seek funding for EOC equipment, which Congress is more likely to continue to fund.

It is important to note that Waterman and Associates understands the need for flexibility in our priorities. It is also understood that once resolution to an issue is achieved, we will substitute another issue. By way of example, if / when we obtain CDBG entitlement status, that priority will be eliminated and a new priority inserted.

Federal Issues of Statewide Importance to Counties

It is also important to note that Waterman and Associates represents the collective interest of all California Counties through their contract with the California State Association of Counties (CSAC). Although CSAC has not yet met to adopt their slate of issues, following is the proposed list to be considered by CSAC at its upcoming Executive Board meeting:

Advocacy

- ❖ Child Support Enforcement – Federal Waiver of Federal Penalty
- ❖ TEA-21 Reauthorization
- ❖ TANF Reauthorization – Welfare Reform

- ❖ State Criminal Alien Assistance Program (SCAAP)

Monitoring / Reporting

- ❖ Tribal Authority in relationship to Gaming
- ❖ Remote Sales Tax
- ❖ Local Law Enforcement Block Grants (LLEBG)
- ❖ Payment in Lieu of Taxes (PILT)

Mandates and Service Levels:

The Legislative Program is not mandated. However, each of the areas identified for advocacy or reporting is directly related to one or more of the County's strategic goals.

Federal Issues Identified:

- ❖ Community Development Block Grant Entitlement Status
- ❖ Conservation and Reinvestment Act (CARA)
- ❖ FEMA Fire Grants and Emergency Operations Center Funding
- ❖ TEA-21 Project Funding
- ❖ Base Realignment and Closure (BRAC)
- ❖ Offshore oil leases
- ❖ Beach/Shore Projects and the Gaviota Coast
- ❖ Indian Fee-to-Trust and Indian Gaming
- ❖ TANF Reauthorization
- ❖ State Criminal Alien Assistance Program (SCAAP)
- ❖ Channel Islands National Marine Sanctuary
- ❖ Endangered Species Protection Act
- ❖ Lompoc Federal Prison Expansion
- ❖ Child Support Penalties
- ❖ Nursing shortage and education issues
- ❖ Medicare Physician Fee Schedule
- ❖ Internet Sales Tax