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# REPORT

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TO: Santa Barbara County Board of Supervisors

DATE: January 6, 2012

FROM: Thomas P. Walters

## 2011 ANNUAL REPORT

The first session of the 112<sup>th</sup> Congress was dominated by the fiscal crises facing the Federal government. The new Congress, with a Republican Majority in the House, was forced to complete work on the FY 2011 appropriations process after its predecessors failed to come to agreement on any of the spending bills last year. The bare-knuckled, highly partisan debate was not resolved until six months into the new fiscal year. A moratorium was placed on Congressionally-directed spending for specific local projects – also known as earmarks – and subsequently extended through the FY 2012 appropriations process. Almost immediately, negotiations over an agreement to raise the Federal Debt Limit and simultaneously address deficit reduction took center stage and devolved into a divisive partisan political battle as a potential default of the U.S. government loomed at the beginning of August. The final compromise included the establishment of a Joint House/Senate Select Committee on Deficit Reduction to negotiate at least \$1.2 trillion in savings, and mandatory caps on the annual appropriations process. The subsequent failure of the Committee to negotiate an agreement raises the specter of a “sequestration” process to achieve the budget savings through government-wide automatic cuts in spending over nine years, beginning in January 2013. While the FY 2012 appropriations process started on an orderly path for the first time in many years, it once again bogged down, devolving first to a “Minibus” measure combining three of the annual funding bills, and ultimately to another year-end “Megabus” act that contained the remaining nine appropriations bills.

Within the context of this perplexing environment, we worked aggressively to advocate your Board’s priorities on a wide range of policies and issues impacting the County’s fiscal stability and delivery of services, as addressed in this report. We lobbied these issues on behalf of the County with Congressional members, staff and Administration representatives. We also worked closely with other relevant stakeholders on these issues, and during their respective trips to Washington, D.C., we arranged meetings for Board members and various County officials to advocate on critical issues with members of the local delegation, Congressional offices and committees, and Administration officials.

While funding for specific projects in general and Santa Barbara County proposals and projects in particular was limited by the continuation of the moratorium on earmarks, the County was awarded several Federal grants and reimbursements, including:

- \$1.34 million for regional activities under the McKinney-Vento Homeless Assistance Act's Continuum of Care program.
- \$478,194 in one-year budget authority and 50 vouchers under the HUD-Veterans Affairs Supportive Housing Program.
- \$404,714 under the State Criminal Aliens Assistance Program (SCAAP).
- \$227,000 in funding, plus 25 vouchers from HHS, to assist non-elderly with disabilities to transition into independent living.
- \$200,000 under the FY 2011 Adult Drug Court Discretionary Competitive Grant Program to expand and enhance the Santa Maria Valley's Substance Abuse Treatment Court.
- \$128,000 for Lower Mission Creek under the Army Corps of Engineers' FY 2011 Work Plan.
- \$119,051 under the FY 2011 Edward Byrne Memorial Justice Assistance Grant (JAG) program.
- \$35,000 under HRSA's Quality Improvement and Patient-Centered Medical Home Development Program to provide care planning, support for team-based models of service delivery, and system upgrades.
- Selection of two County Federally Qualified Health Centers (FQHCs) to participate in HRSA's Advanced Primary Care Practice Demonstration Program, including monthly care management fees for each eligible Medicare beneficiary receiving services.

Federal legislation of significance to your Board and the County's mandated responsibilities approved by Congress and signed into law in 2011 included:

- Enactment of legislation to repeal the mandated requirement that all local, State, and Federal government agencies withhold 3% of payments to vendors and contractors for Federal income tax purposes.
- Reauthorization of the Promoting Safe and Stable Families Program.
- Reauthorization of the Child Welfare Services Program.

The challenges of 2011 on the Federal level will continue into the second session of the 112<sup>th</sup> Congress, exacerbated by Presidential election year politics. Under the specter of the economic situation and budgetary constraints arising from the Federal deficit Congress will attempt to address authorization or reauthorization of a variety of statutes of significance to the County, including: SAFETEA-LU; TANF; the Workforce Investment Act, the Older Americans Act; the Payments in Lieu of Taxes (PILT) Program; and the Farm Bill.

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### High Priority Projects

With the extension of the existing moratorium on Congressionally-directed spending for specific local projects through the FY 2012 appropriations process, we shifted our focus regarding Federal resources for the County's high priority projects to focus on advocacy for potential funding streams, and working with appropriate Federal agencies, including through the competitive grant process. As with the traditional appropriations process, this entails both long-term and short-term strategies for each of the projects

#### Army Corps of Engineers Projects

We lobbied the House and Senate Appropriations Committees throughout both the leftover FY 2011 and new FY 2012 appropriations processes in support of adequate funding in the *Energy and Water Appropriations Acts* for the Army Corps of Engineers to fund critical projects in the County. We also worked directly with the Army Corps of Engineers on the implementation of their FY 2011 work plan and the proposals for FY 2012 project funding to emphasize the critical importance of County projects.

#### *Lower Mission Creek*

In January, we arranged and participated in meetings for Supervisor Carbajal, Public Works Director McGolpin and Assistant Public Works Director Fayram with the Army Corps of Engineers and the Office of Assistant Secretary of the Army of Civil Works to advocate in support of the Lower Mission Creek project, including assisting the County in obtaining a new construction start for the project. We emphasized the significant investment the project by both the Corps and the County, and the importance of these improvements to protecting lives and property in Santa Barbara. We also briefed House and Senate Appropriations Committee staff on the project and worked with Senator Feinstein in her role as Chair of the Energy and Water Appropriations Subcommittee. Throughout the year, we continued to work with Congresswoman Capps, the City of Santa Barbara's lobbyist and County Staff to seek ways to advance the project, including joining in a meeting and tour of Lower Mission Creek with Colonel Toy, the head of the Los Angeles District Corps office. The Army Corps included \$128,000 for Lower Mission Creek in their FY 2011 Work Plan. However, the FY 2011 and FY 2012 Energy and Water Appropriations bills continued to emphasize a "no new starts" approach to funding Corps projects, which severely hampers further progress on the lower Mission Creek project.

#### *Santa Maria Levee*

We arranged and participated in meetings for Supervisor Carbajal to press the Army Corps' Headquarters Staff and the Office of Assistant Secretary of the Army of Civil Works to expedite completion of improvements to the Santa Maria Levee, including the extension of Reach 3 to Bradley Canyon to ensure 100-year flood protection. We also assisted CEO Wallar in advocating the project with Senators Feinstein and Boxer and the local House Delegation during the March NACo Legislative Conference. Throughout the year, we continued to work with County staff and the City of Santa Maria to directly advocate the project to the Corps, and to work with the local delegation to garner support for the project. Both Congressman Gallegly and Congresswoman Capps made the Levee a very high priority in their requests to

the Corps. Congresswoman Capps contacted the Corps' Washington, D.C., headquarters to urge their assistance in expediting a plan to resolve these issues, and also helped schedule a meeting in the County with Colonel Toy, the head of the Los Angeles District Corps office in February. Efforts on the project continue at the local level, in concert with the Regional Corps officials.

#### *Goleta Beach*

We arranged and participated in meetings for Supervisor Carbajal to brief the House and Senate Appropriations Committees on the revised project to utilize managed retreat to protect Goleta Beach during his January advocacy trip, arranged and participated in similar meetings for Supervisor Wolf during the NACo Legislative Conference in March. We also urged the committees, Senators Boxer and Feinstein, and Congresswoman Capps to support for funding to update the environmental phase of the project, and participated in We also joined in a meeting and tour of Goleta Beach with Colonel Toy of the Los Angeles District Corps office last summer. Discussions between County staff and the Corps on potential resources and the barriers to the project are ongoing.

#### Bureau of Reclamation

In January, we arranged for Supervisor Carbajal and County staff to meet with Bureau of Reclamation Deputy Commissioners Kira Finkler and David Murillo to discuss a variety of issues related to Lake Cachuma, including approval of the Resource Management Plan for the Lake, upgrades to the Federal facilities that serve the recreational users, and quagga mussel prevention. We assisted the County throughout the year in advocating these issues, including meeting with staff for the House and Senate Appropriations Committees to emphasize the importance of adequate funding for the Bureau's efforts to address them. While the Record of Decision on the Resource Management Plan has now been signed, resources to address facility upgrades and Quagga mussel prevention were scarce in the environment created by Federal deficit reduction efforts.

#### Transportation - SAFETEA-LU Reauthorization

Over the course of 2011 we engaged in ongoing discussions with the key committees of jurisdiction and the local Congressional Delegation regarding the County's reauthorization priorities for the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Early in the year, we arranged and participated in meetings for Supervisor Carbajal to advocate for the county's SAFETEA-LU requests in anticipation of Congressional reauthorization action. We repeatedly contacted members of the House Transportation and Infrastructure Committee and the Senate Committee on Environment and Public Works to urge their support the County's priorities regarding SAFETEA-LU reauthorization, including funding for the Off-System Bridge Program and maximum support for pavement preservation efforts. We also worked in support of a Dear Colleague letter drafted by Congressman Graves (R-MO) and Holden (D-PA) in support of retaining the federal off-system bridge program, citing the fact that the County maintains approximately 110 bridges that are currently eligible to receive funding through the program.

The most recent extension of SAFETEA-LU will expire March 31, 2012. Earlier this year, House Transportation and Infrastructure Committee Chairman Mica (R-FL) had released a bill overview that proposed \$230 billion over six years. This is the funding that can be justified by revenues currently going into the Highway Trust Fund, and would be a reduction of about one-third compared to the FY 2011 funding levels for these programs. Subsequently, House Republican Leaders agreed to pursue a plan that would avoid those drastic program cuts by supplementing Trust Fund revenues with royalties from increased oil and gas development and potentially other energy initiatives. Action on that legislation, however, was put off until early this year. Chairman Mica has cited pressure from local governments and contractor groups in urging swift action on the issue in 2012.

#### Other Priority Projects

Despite the moratorium on Congressionally-directed spending, we apprised our local Congressional delegation of the County's other high priority projects, and arranged and participated in meetings for Supervisor Carbajal to discuss those projects during his January advocacy trip. These included the Santa Barbara County Courthouse renovation, Santa Barbara Health and Human Services campus upgrades, and renovations at the Santa Barbara and Lompoc Veterans Memorial Building. We researched programs that could provide potential resources and advocated for those programs throughout the FY 2012 appropriations process. That process was not completed until late in December, and we will continue to monitor the appropriate Federal agencies for potential funding through these programs as grant opportunities are announced and released.

#### **Emergency Preparedness and Response**

##### Santa Maria Air Tanker

As a follow-up to Board Chair Gray's letter to U.S. Forest Service Chief Tom Tidwell regarding restoration of full service status of the Santa Maria Air Tanker Base, we contacted Congressman Gallegly and Congresswoman Capps regarding the issue. We also discussed the situation with County Fire Chief Mike Dyer. Our delegation assisted in organizing a meeting between USFS officials and all of the area fire chiefs, joined by the District representatives of Gallegly and Capps. The meeting was characterized as extremely productive and the Service agreed to re-designate the Santa Maria Air Tanker Base as a full-service facility.

##### FY 2012 Federal Funding

The Homeland Security Appropriations bill is traditionally one of the first spending measures drafted, and we contacted the House and Senate Appropriations Committees and members of our local delegation to advocate the County's homeland security and emergency response priorities in anticipation of subcommittee action. We urged them to adequately fund local homeland security and disaster preparedness activities, including public safety, public health, emergency management personnel, and communications infrastructure. We also asked them to fund the Assistance to Firefighters Grant program at the highest possible level, and emphasized the critical importance of Emergency Management Performance Grants (EMPG) to the County's emergency preparedness responsibilities. Unfortunately, as a harbinger of the current austere fiscal atmosphere, the House-drafted *FY 2012 Homeland Secu-*

*ity Appropriations* bill proposed substantial cuts in funding for local governments. We joined NACo and other stakeholders in fighting against these reductions in the Senate, but the final version of the legislation negotiated as part of the year-end “Megabus” appropriations measure provided only \$1.35 billion for FEMA State and local programs, consolidated a broad array of State and local assistance programs, and requires increased reporting requirements and oversight of existing funds. Funding levels include: \$1.118 billion for State and local grants programs, including State Homeland Security and Law Enforcement Terrorism Prevention Grants; \$675 million for Firefighter Assistance Grants, including \$337.5 million for SAFER; \$350 million for EMPG, and \$35.5 million for the National Pre-disaster Mitigation Fund.

We also urged the House and Senate Appropriations Committees to provide adequate funding for local bioterrorism programs, reiterating the critical role that the County’s public health infrastructure plays in responding to biological, chemical, and conventional threats. We specifically asked them to fully fund CDC’s Public Health Emergency Preparedness Cooperative Agreement and HRSA’s National Bioterrorism Hospital Preparedness Program. When the Senate approved its version of the Labor-HHS spending bill, it included \$632 million for Public Health Emergency Preparedness Cooperative Agreement and \$375 million for hospital preparedness. The final Labor/HHS spending measure included in the *FY 2012 Omnibus Appropriations Act* provided \$643 million for Public Health Emergency Preparedness Cooperative Agreements, and \$375 million for hospital preparedness.

#### Firefighter Grant Program Reauthorization

We contacted the Senate Homeland Security and Governmental Affairs Committee to advocate in support of Chairman Lieberman’s (I-CT) S. 550, the *Fire Grants Reauthorization Act*. The bill would reauthorize the Assistance to Firefighters (AFG) and Staffing for Adequate Fire and Emergency Response (SAFER) programs for five years with adjustments for inflation, and provide flexibility to waive certain requirements for applicants that demonstrate an economic hardship, including unemployment rate. S. 550 was approved by the committee last summer and is awaiting floor action by the full Senate. Companion legislation introduced by Congresswoman Johnson (D-TX) was referred to the House Homeland Security Committee but hearings have not yet been scheduled on the bill.

#### Environment and Land Use

##### Marine Vessels Emissions and Clean Air

We worked with Congresswoman Capps’ office to express concerns regarding provisions included in H.R. 2021, the *Jobs and Energy Permitting Act*, which could unintentionally weaken air quality regulations governing marine vessel emissions. Congresswoman Capps serves on the House Energy and Commerce Committee, and early in April her staff provided us with a draft version of the legislation and requested feedback from the County on its impacts. We worked with then-APCD Director Terry Dressler to develop an analysis of the bill, and arranged a conference call with Mr. Dressler, Congresswoman Capps’ Legislative Director, and Energy and Commerce Committee staff to discuss the County’s concerns that the legislation. We also followed up with letters to the committee on behalf of the County

reiterating those concerns. Unfortunately, the committee marked up and approved the bill by a vote of 34-14 in June, with Congresswoman Capps joining in the dissenting view to reiterate the County's concerns. H.R. 2021 was subsequently approved by the full House on a party-line vote. No companion legislation was introduced in the Senate, and H.R. 2012 was not scheduled for hearings by the Senate committee of jurisdiction.

We contacted the House and Senate Interior Appropriations Subcommittees of jurisdiction to advocate in support of funding for EPA's Section 103 and Section 105 grants to State and local agencies, citing its importance to the Air Pollution Control District's mandated efforts, including the fine particulate monitoring network. Neither subcommittee completed work on its draft of the *FY 2012 Interior, Environment and Related Agencies Appropriations* bill, and under the year-end Omnibus Appropriations bill these programs are funded at the FY 2011 level of \$236 million.

#### Property Assessed Clean Energy (PACE) Programs

During his winter advocacy trip to Washington, D.C., we arranged and participated in meetings for Supervisor Carbajal to advocate in support of efforts to reverse Federal Housing Finance Agency (FHFA) regulations that will not allow residential property owners with Fannie Mae and Freddie Mac mortgages to participate in Property Assessed Clean Energy (PACE) programs. That decision has impacted PACE programs across the nation, including AB 811-related efforts in California and locally in the County. Amongst others, Supervisor Carbajal met with staff for Congressman Thompson (D-CA) who introduced the *PACE Assessment Protection Act* in the previous Congress to resolve the issue. As follow-up to those meetings, we provided Congressman Thompson's office with additional information, and encouraged them to re-introduce their proposal this year. We are also working with NACo on the issue, and Executive Director Larry Naake signed a joint letter with the National League of Cities urging Congressional action to enable local governments to be able to exercise liens for their PACE programs.

In June, Congressman Thompson's staff informed us that Congresswoman Hayworth (R-NY) had agreed to sponsor reintroduction of the *PACE Assessment Protection Act*, with Congressman Thompson and Congressman Lungren (R-CA) as lead cosponsors. Rep. Hayworth's involvement is significant since she serves on the Financial Services Committee, and is serving as liaison to the committee. In anticipation of the bills' introduction, we met with our local delegation, Financial Services Committee staff, and the offices of all three lead sponsors to reiterate the County's support. Congresswoman Hayworth introduced the bill as H.R. 2599 in July and currently has 51 cosponsors, including Congresswoman Capps.

While Senate companion legislation to H.R. 2599 was not introduced this year, we lobbied the Senate Banking, Housing and Urban Affairs Committee in anticipation of their November hearing on Fannie Mae and Freddie Mac. During the hearing, Senator Bennett (D-CO) specifically questioned FHFA officials on the issue. We also discussed PACE with Senator Boxer's staff, since the Senator sponsored legislation in the 111<sup>th</sup> Congress. They are continuing to work with the committee and FHFA to reach some type of resolution. Recently, the Federal District Court in Oakland ruled that FHFA must conduct a rulemaking process for the disputed



regulation, which it failed to do when implemented. However, FHFA has appealed the decision and is waiting for a review by the Ninth Circuit Court of Appeals before taking any additional action on rulemaking

#### Conversion Technology

In preparation for Supervisor Carbajal's January advocacy trip to Washington, DC, we discussed the Board's policy in support of incentives for conversion technology efforts with the staff of Congressman Lloyd Doggett (D-TX). Last year, Congressman Doggett introduced the *Waste-to-Energy Technology Act*, and he re-introduced the legislation in the new Congress as H.R. 66. As a follow-up to Supervisor Carbajal's meeting with Ruth Hupart of the Congressman's office, we contacted the House Ways and Means Committee to advocate in support of action on the legislation, which would provide an investment tax credit for waste-to-energy facilities. We have also asked Congresswoman Capps and Congressman Gallegly to consider becoming cosponsors of the bill. Although Congressman Doggett serves on the committee, hearings were not scheduled on H.R. 66 this year.

#### Coastal Issues

Following discussions with Congresswoman Capps' staff, we contacted the House Natural Resources Committee and House Majority and Minority leadership regarding Committee Chairman Hastings' (R-WA) H.R. 1231, the *Reversing President Obama's Offshore Moratorium Act*. The bill's provisions would open the Southern California coast to new offshore oil leasing, and we cited the County's concerns with potential impacts on air and water quality and marine resources. The committee approved H.R. 1231 and it was subsequently approved by the full House in May by a vote of 243-179. While it was then referred to the Senate, no further action was taken on the proposal. Meanwhile, Congresswoman Capps introduced H.R. 1597, the *California Ocean and Coastal Protection Act*, to permanently prohibit oil and gas leasing off the Coast of Southern California. Hearings for Congresswoman Capps' proposal were not scheduled in the 2011 session.

#### Hydro-Fracking

We contacted the House and Senate Committees of jurisdiction to advocate in support of the *Fracturing Responsibility and Awareness of Chemicals (FRAC) Act*. Introduced in the House as H.R. 1084 by Congresswoman DeGette (D-CO) and in the Senate by Senator Casey (D-PA) as S. 587, the proposal would repeal the exemption from restrictions on underground injection of fluids or propping agents granted to hydraulic fracturing operations relating to oil and gas production activities under the Safe Drinking Water Act. Congresswoman Capps is a cosponsor of H.R. 1084, while both Senators Boxer and Feinstein are cosponsors of the Senate version. The Senate Environment and Public Works Committee held hearings on S. 587, but further action was not scheduled this year. We also provided the County with the General Accounting Office's (GAO) report entitled, *Energy Development and Water Use: Impacts of Potential Oil Shale Development on Water Resources*, which was released in conjunction with its testimony before the Senate Committee. The GAO concluded that shale development could have significant impacts on the quality and quantity of water resources, but the magnitude is unknown because "technologies are not yet commercially proven, the size of a future industry is uncertain, and knowledge of current water conditions is limited."

### Tribal Gaming Compacts and Land Use

We monitored Congressional action regarding Indian land into trust, and have provided County staff with legislation addressing this issue. Several of these bills address the *Carciere v. Salazar* Supreme Court case, in which the Court held that the authority of the Secretary of Interior to take land into trust for tribes under the Indian Reorganization Act extends only to those tribes under federal jurisdiction when the law was enacted in 1934. In April the Senate Indian Affairs Committee approved Chairman Akaka's S. 676, which would reaffirm the authority of the Secretary to take land into trust for tribes, but further action was not scheduled on the proposal. In October, the Senate Homeland Security and Governmental Affairs Committee held a hearing entitled, "*Oversight Hearing on the Carciere Crisis: The Ripple Effect on Jobs, Economic Development and Public Safety in Indian Country*," and we provided testimony from the hearing to County staff for analysis.

Unrelated to the *Carciere* decision, Senator Feinstein introduced S. 771, the *Tribal Gaming Eligibility Act*, which would require that Indian tribes demonstrate both an aboriginal and a modern connection to land taken into trust before it can be used for gaming. In her introductory comments, Senator Feinstein stated that the bill responds to growing concerns about off-reservation casinos proposals in California and "unbridled reservation shopping." Hearings were not scheduled on S. 771 in 2011.

### Health Care

#### 2011 Competitive Grant Opportunities

In January, the Departments of Health and Human Services and Housing and Urban Development jointly announced awards to local governments for assisting non-elderly with disabilities to transition out of nursing homes and other institution into independent living. We were informed that the County of Santa Barbara would receive \$227,000 in funding, plus 25 vouchers from HHS. The County was one of only 5 entities in CA to receive these funds.

Early this year we provided the County with information regarding a funding opportunity through Health Resources and Services Administration's (HRSA) Quality Improvement and Patient-Centered Medical Home Development Program. Created by the Affordable Care Act, these grants provide assistance to existing health centers to achieve recognition as a patient-centered medical home. Late in September we were informed by HRSA that the County was awarded \$35,000 to provide care planning, support for team-based models of service delivery, and system upgrades.

In October, we were also informed by HRSA that two of the County's Federally Qualified Health Centers (FQHCs) were selected to participate in the Advanced Primary Care Practice Demonstration Program to test the effectiveness of doctors and other health professionals working in teams to coordinate and improve care for Medicare patients. Participating FQHCs will be paid a monthly care management fee for each eligible Medicare beneficiary receiving primary care services.

### FY 2012 Health Care Program Funding

We urged members of the House and Senate Labor, HHS, Education and Related Agencies Appropriations Subcommittees to support public health programs of importance to the County in their FY 2012 spending bill, including tuberculosis control and prevention, Ryan White Part C funding, substance abuse and mental health block grants, community health centers, immunizations, preventative health services, health care safety net grants; and community-based health and nutrition services for older Americans. We also urged them to provide adequate funding for State and local bioterrorism preparedness and bioterrorism hospital grants. The *Labor, HHS, Education and Related Agencies Appropriations* bill is always one of the most contentious of the annual funding measures, and this year was no different. While the Senate Appropriations Committee successfully drafted a version of the bill in September, the House committee never released its proposal, and the final FY 2012 Labor/HHS spending was included in the year-end Omnibus Appropriations Act known as the “Megabus.” It provided \$1.58 billion for Community Health Centers, \$1.72 billion for substance abuse prevention and treatment, \$205 million for Ryan White Part C, \$500 million for the Prevention and Public Health Fund, \$439 million for mental health grants, \$369 million for Section 317 immunizations, \$297 million for family planning, and \$141 for tuberculosis control and prevention.

### Childhood and Women's Health Issues

We contacted the House and Senate committees of jurisdiction to advocate for revising the formula for allocating Title V Maternal and Child Health Block Grant funds, citing the existing funding inequity for California. Current allocations are based on data that is roughly 20 years old, and we requested that the formula be updated to reflect the most recent Census data. We also urged the House and Senate Appropriations Committees to increase funding for Title V in the *FY 2012 Labor, HHS, Education, and Related Agencies Appropriations* bill. The House draft of the Labor-HHS spending bill provided \$654 million for MCH and the Senate version included \$606 million for the program. The Senate proposed \$606 million for MCH in its version of the spending measure. The final Labor/HHS spending measure included in the *FY 2012 Omnibus Appropriations Act* provided \$646 million for MCH, a \$10 million decrease from the previous year.

We urged the House and Senate Committees of jurisdiction to expedite consideration of the *Heart Disease Education, Analysis, Research, and Treatment (HEART) for Women Act*, to expand funding for the WISEWOMAN screening program for low-income and uninsured women. The legislation was introduced as S. 438 in the Senate by Senator Stabenow (D-MI) and as H.R. 3526 by Congresswoman Capps (D-CA). Similar legislation sponsored by Congresswoman Capps was approved by the 111<sup>th</sup> Congress, but never taken up in the Senate. Action was not scheduled on either bill this year.

## Homelessness, Housing and Community Development

### Homelessness

We provided the County with HUD’s NOFA for the FY 2010 Continuum of Care (CoC) competitive grant program under the McKinney-Vento Homeless Assistance

program. When HUD announced its awards last winter, we were informed that \$1.34 million was being provided for CoC activities in Santa Barbara County. The funding is used to provide permanent and transitional housing to homeless persons, as well as services such as job training, health care, mental health counseling, and substance abuse treatment.

The U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Veterans Affairs (VA) announced in September that HUD will provide \$46.2 million to supply permanent housing and case management for 6,790 homeless veterans through the Veterans Affairs Supportive Housing Program (HUD-VASH). We were informed that the Santa Barbara County region has been awarded 50 HUD-VASH vouchers and a one year budget authority of \$478,194. Under this program, homeless veterans receive a Section 8 Housing Choice Voucher from HUD that is coupled with case management and clinical services provided by VA at its medical centers and in the community. It will be administered locally by the Housing Authority.

We contacted members of the House and Senate Appropriations Committees, our local Congressional delegation, and Senators Boxer and Feinstein to urge them to adequately fund homeless programs for both FY 2011 and FY 2012 in the Transportation, Housing and Urban Development (HUD), and Related Agencies Appropriations bill. We also arranged and participated in meetings for Supervisor Wolf to advocate for funding for homeless programs during her attendance at NACo's Legislative Conference in March. The FY 2011 Full Year Appropriations bill signed into law in April provided \$1.9 billion for these programs, and the final conference agreement on the FY 2012 Transportation, HUD, and Related Agencies Appropriations Act included the same level of funding for homeless assistance programs.

#### Housing and Community Development Resources

Funding for the Community Development Block Grant (CDBG) has been under considerable assault this year as part of deficit reduction efforts. During negotiations over the FY 2011 Continuing Resolution Act necessitated by the failure of the previous Congress to finish any appropriations bills, we were alerted to proposals to reduce CDBG funding significantly for the remainder of the fiscal year. Subsequently, we also learned of a proposal by the Administration to cut CDBG funding by 25% as part of its FY 2012 Budget Request. We worked with County staff to develop substantive examples of the importance of CDBG funding and the potential negative impacts that the cuts could have locally, and sent letters opposing any reduction in CDBG funding to White House Senior Advisor Valerie Jarrett and Office of Management and Budget Director Jack Lew. We also discussed the issue with David Agnew of the White House Office of Intergovernmental Affairs, and provided him with copies of the letters.

As work began on FY 2012 appropriations, we contacted members of the House and Senate Appropriations Committees, our local Congressional delegation, and Senators Boxer and Feinstein to advocate for funding for housing and community development programs of significance to the County in the *FY 2012 Transportation, Housing and Urban Development (HUD), and Related Agencies Appropriations* bill. The final conference agreement on FY 2012 HUD funding negotiated in November

as part of the “Minibus” legislation included \$3.3 billion for CDBG, \$18.9 billion for Section 8, \$1.87 billion for the Public Housing Capital fund, \$1 billion for the HOME program, \$374 million for elderly housing, \$332 million for Housing for People with AIDS (HOPWA), and \$75 million for HUD-VASH.

### Workforce Development

We urged the House Committee on Education and the Workforce and the Senate Health, Education, Labor and Pensions (HELP) Committee to begin work on legislation to reauthorize the Workforce Investment Act (WIA), stressing that reauthorization is long overdue and needs to be updated to strengthen the national workforce and facilitate economic development for global competitiveness. The Senate committee began work on a draft version of the *Workforce Investment Act Reauthorization*, and held a series of hearings on the proposal. In the House, Congressman McKeon (R-CA) introduced H.R. 2295, the *Workforce Investment Improvement Act*. Congressman McKeon is a former chair of the Education and the Workforce Committee and has led previous efforts to reauthorize WIA. Further action on WIA was deferred until next year.

### **Public Safety**

#### Immigration Impacts

We discussed the application process for FY 2011 funding under the State Criminal Alien Assistance Program (SCAAP) with the Department of Justice’s Bureau of Justice Assistance (BJA), and provided pertinent information to the County for action. Applications were due in June. In October, we were informed that the County received \$404,714 in SCAAP reimbursements for FY 2011.

Unfortunately, SCAAP was one of the local government programs proposed for elimination of funding in the House Appropriation Subcommittee’s draft of the *FY 2012 Commerce, Justice and Science (CJS) Appropriations* bill. We aggressively lobbied the full Appropriations Committee and our local Congressional delegation to oppose the cut, and reiterated the purpose of the program as an offset to some of the costs of the Federal government’s failure to secure the international borders. The delegation has been very supportive of SCAAP, and Congressman Lewis in particular, in his role as Chairman Emeritus of the Appropriations Committee, advocated very aggressively for reinstatement of SCAAP funding. In the Senate, we worked closely with Senator Feinstein’s staff on the funding. Senator Feinstein serves on the CJS Subcommittee, and made SCAAP her highest priority for funding in the bill. The FY 2012 CJS bill approved by the subcommittee included \$273 million for SCAAP, the same level as in FY 2011. When House and Senate conferees negotiated the final version of the *FY 2012 CJS Appropriations Act* as part of the first “minibus” legislation, they rejected the House proposal to eliminate SCAAP and included \$240 million for the program. They also included \$10 million to continue the Southwest Border Prosecution Initiative.

We contacted the Senate Judiciary Committee to advocate in support of Senator Feinstein’s S. 638, the *SCAAP Reimbursement Protection Act*, which would authorize reimbursements to States and local governments for costs associated with the

incarceration of illegal aliens charged with a felony or two or more misdemeanors, and S. 639, the *SCAAP Reauthorization Act*, to reauthorize SCAAP through FY 2015 at an annual level of \$950 million. S. 638 would reverse BJA's 2003 policy interpretation that cut the County's funding in half, and would permit SCAAP reimbursements for incarcerating illegal aliens *charged* with a crime, rather than the stricter standard of having been convicted of a crime. Congresswoman Linda Sanchez (D-CA) introduced a companion version as H.R. 410, and we lobbied the House Judiciary Committee to schedule action on the bill.

#### Public Safety Funding

After the Bureau of Justice Assistance announced its solicitation for funding under the FY 2011 Edward Byrne Memorial Justice Assistance Grant (JAG) program, we provided the application package to County staff. The funding can be used for a variety of public safety activities, and under the allocation for JAG, Santa Barbara County is eligible for \$119,051 in conjunction with the Cities of Santa Maria and Santa Barbara. Applications were due July 21.

We contacted the House and Senate Appropriations Subcommittees regarding the County's public safety funding priorities, and urged them to provide the highest level of funding possible for local law enforcement activities in the *FY 2012 Commerce, Justice and Science (CJS) Appropriations* bill, including youth delinquency prevention, local law enforcement technology needs, domestic abuse programs, and drug treatment. When the House drafted its version of the CJS bill in July, it proposed draconian reductions or elimination of funding for a broad array of public safety programs of importance to local governments, including the COPS Program, as part of its deficit reduction efforts.

We immediately joined NACo and other public safety advocates in aggressively lobbying the Senate to reinstate these cuts, citing the importance of Federal assistance to the County's efforts to effectively and efficiently meet local law enforcement and public safety needs, particularly in light of the financial crises impacting local governments. The version of the bill drafted by the Senate Appropriations Committee was more favorable, providing 17% less funding for State and local public safety programs than last year, as compared to 38% reductions proposed by the House Appropriations Committee. The *FY 2012 CJS Appropriations Act* was included in H.R. 2112, the "Minibus" appropriations bill, and we advocated for the highest level of funding for public safety programs. The final bill included: \$470 million for the Edward Byrne Justice Assistance Grants, plus an additional 30 million in competitive and innovative program grants; \$412.5 million for violence against women prevention and prosecution programs; \$262.5 million for juvenile justice programs; \$198.5 million for Community Oriented Policing Services (COPS); \$63 million for offender re-entry programs under the Second Chance Act; \$35 million for drug courts; \$9 million for treatment of mentally ill offenders; and \$5 million for competitive grants to reduce gang violence. It also provided \$40 million for the National Institute of Justice, including \$5 million for DNA-related and forensic grants.

#### Drug Court Funding

We provided information to the County regarding the Bureau of Justice Assistance's (BJA) announcement of funding opportunities under the FY 2011 Adult Drug Court

Discretionary Competitive Grant Program. In June, the Probation Department submitted an application to BJA for funding to add a re-entry component to improve and expand drug court services in the Santa Maria Valley. We contacted Congresswoman Capps to solicit her support for the proposal, and worked with her staff in drafting a letter of support for it. Congresswoman Capps sent the letter to BJA Director Denise O'Donnell on June 30. When BJA released its awards under the program in the fall, it announced a \$200,000 grant to expand and enhance the Santa Maria Valley's Substance Abuse Treatment Court.

#### Inmate Health Care Costs

We contacted the House and Senate committees of jurisdiction to advocate in support of legislation that would remove the so-called "inmate exception" that prevents individuals from being eligible for Medicare, Medicaid, and SSI benefits while they are in the County jail awaiting trial. Working with NACo, we argued that this exception unfairly shifts the burden for otherwise eligible inmates' health care to the County, and is contrary to the presumption of innocence in the American judicial system. It is estimated that 10% of inmates would otherwise be eligible for Medicaid, and since the County spends about \$21.8 million annually on health care for adult inmates, this means that up to \$2.18 million in costs are shifted to the County just under Medicaid. The proposal was not addressed in the first session of the current Congress.

#### Public Safety Communications

Throughout the year we closely monitored controversial legislative efforts to address allocations and auctioning of the broadcast radio spectrum because of potential impacts on the County's public safety communications and emergency response responsibilities. Early in the year, Chairman Rockefeller (D-WV) of the Senate Commerce, Science and Transportation Committee introduced S. 911, the Strengthening Public-safety and Enhancing Communications Through Reform, Utilization, and Modernization (*SPECTRUM*) Act, which included provisions to allocate an unused portion of the spectrum known as the D Block to public safety, and would authorize \$11.75 billion in grant funding for the build-out of emergency communications networks. Chairman Rockefeller's committee approved the SPECTRUM Act in June, but further consideration was deferred pending action on the spectrum issue in the House, which was considering a very different approach that involved auctioning the D Block for deficit reduction purposes.

Early in December, the House Energy and Commerce Committee took action on draft legislation entitled, the *Jumpstarting Opportunity with Broadband Spectrum Act*. The proposal signified a marked shift in the House Republican approach in that, like the Senate bill, it would reallocate the D Block to public safety. However, it would also require public safety to relinquish 14 megahertz of its current spectrum holdings in the 700 MHz narrowband. There are also significant differences between the two measures in the management of public safety communications networks, and the level of funding authorized. Because of the revenue implications of auctioning off segments of the broadcast spectrum, it is anticipated that Congress will return to this issue early in 2012.

### Federal Tax Intercept

We contacted the House and Senate committees of jurisdiction in support of legislation to allow for the interception of Federal tax refunds as a means to recover fees and judgments owed to the County. We cited the State's successful program for the intercept of State income tax refunds, which has resulted in the collection of millions of dollars in delinquent criminal restitution, fines, penalty assessments and fees. In the House, Congressman Paulsen (R-MN) introduced H.R. 1416, the *Crime Victim Restitution and Court Fee Intercept Program*, and Senator Wyden (D-OR) introduced a companion bill in the Senate as S. 755. We asked the local Congressional delegation to cosponsor the legislation, and Senators Boxer and Feinstein both signed onto the Senate bill. Despite bipartisan support, hearings were not scheduled on either measure this year.

### Elder Abuse

We urged the House and Senate Judiciary Committees to expedite action on the *Elder Abuse Victims Act*. Introduced in the House by Congressman King (R-NY) as H.R. 2564 and in the Senate by Senator Kohl (D-WI) as S. 462, the proposal would authorize Federal resources to strengthen State and local efforts to fight elder abuse, including funding for specialized law enforcement, prosecutor, and court units. Hearings have not yet been scheduled by either committee.

## Social Services

### TANF Reauthorization

We contacted the Senate Finance and House Ways and Means Committees early in the year to advocate the County's support for reauthorization of the Temporary Assistance for Needy Families (TANF) program, implemented in California as Cal-Works. We stressed the need for flexibility to target local needs and support participants' work activities, and to revise the definition of "work" and the work participation rate formula. In September, we provided County staff with testimony from the House Ways and Means Human Resources Subcommittee hearing in anticipation on reauthorization, including how States engage recipients in work activities that move them toward self-sufficiency. TANF authority was scheduled to expire on September 30, but the House and Senate both approved H.R. 2943, the *Short-Term TANF Extension Act*, which extended the authority for the program through December 31, 2011. Just before adjourning for the year, the House subsequently approved H.R. 3659, to further extend exiting TANF authority through December, 2012. The language was also added to the year-end high-priority legislative package that includes renewal of the payroll tax cut, long-term unemployment benefits, and the rescission of cuts in Medicare payments to physicians.

### Social Services

We contacted the House and Senate Appropriations Committee, our local Congressional delegation, and Senators Boxer and Feinstein to advocate in support of Title XX Social Services Block Grant (SSBG) funding, emphasizing its importance to a variety of programs in the County, including IHSS and Child Welfare Services. We also encouraged them to adequately fund the Community Services Block Grant (CSBG), citing the provision of services funded through the County's Community Action Partnership, including case management, employment services, child care,



emergency shelter and food distribution, financial education, protection from violence, and youth services. Additionally, we urged the Senate Health, Education, Labor, and Pensions Committee and House Education and Labor Committee to take action on legislation to reauthorize CSBG, as the program has not been reauthorized since 2003 except through the annual appropriations process. The final version of the FY 2012 *Labor, HHS, Education and Related Agencies Appropriations* bill negotiated as part of the year-end Omnibus Appropriations Act funds SSBG at the FY 2011 level of \$1.7 billion, and provides \$678.4 million of CSBG, also the same as the FY 2011 level.

We advocated in support of legislation to reauthorize the Promoting Safe and Stable Families and Child Welfare Services programs. Both programs were scheduled to expire on September 30. As that date approached, the House and Senate both quickly approved H.R. 2883, the *Child and Family Services Improvement and Innovation Act*, to reauthorize the programs. The bill also renewed child welfare waiver authority to allow the Department of Health and Human Services to authorize states to implement innovative demonstration programs.

#### Older Americans

In anticipation of action to reauthorize the Older Americans Act (OAA), we provided County staff with the Administration on Aging's (AoA) set of reauthorization principles for analysis. Proposals of interest to the County include consolidation of congregate and home-delivered meals program, with a hold harmless provision for states so there is no loss of funding from previous allocations, and amending the National Caregiver Support Program regarding disabled adult children to add the term "parent caregiver" to the program, and clarify that older adults caring for disabled adult children are eligible for services. Senate HELP Committee Chairman Harkin (D-IA) has indicated that he plans to introduce a bipartisan reauthorization bill, with action on the measure in February or March of 2012.

The *Labor, HHS, Education and Related Agencies Appropriations* bill funds programs authorized under both the Elder Justice Act and Older Americans Act, and we urged the respective House and Senate Appropriations Committees to fund these programs at the highest possible level in the FY 2012 spending measure. We also arranged and participated in meetings for Supervisor Wolf to advocate for Older Americans Act funding during NACo's Legislative Conference in March. When the Senate committee drafted its version of the FY 2012 Labor/HHS funding bill, it proposed funding the Community Service Employment for Older Americans at \$449 million and the Home and Community-Based Supportive Services \$367 million, the same level as in FY 2011. The House committee never released its version of the bill and when House and Senate conferees negotiated the final funding levels included in H.R. 2055, the year-end *FY 2012 Omnibus Appropriations Act*, they provided the \$367 million for Home and Community-Based Supportive Services, but, reflecting this year's austerity, did not fund the Community Service Employment for Older Americans program.

## Other Advocacy and Support

### Agriculture – Pest Detection

We joined members of the California Agricultural Commissioners Association in meetings with the California delegation to advocate funding for County pest detection efforts, including dog teams to enhance inspections. We also urged the House and Senate Appropriations Committees to include the highest level of funding possible for the *Animal and Plant Health Inspection Service (APHIS)* in the *FY 2012 Agriculture Appropriations* bill, citing the County's agricultural industry, and the importance of additional resources for California counties to be able to inspect for agricultural pests adequately. The version of the spending bill approved by the House in June proposed significant cuts across the board to agriculture programs, and funding for APHIS was decreased by 8.5% to \$790 million, including \$26 million for pest detection efforts and \$147 million for specialty crop pests. The Senate Appropriations Committee proposed \$820 million for APHIS, \$28.7 million for pest detection, and \$154 million for specialty crop pests. The final conference agreement on the FY 2012 Agriculture spending measure included \$816 million for APHIS, \$27 million for pest detection, and \$154 million for specialty crop pests.

### Child Support Incentive Payments

We contacted the Senate Finance Committee to advocate in support of Senator Rockefeller's (D-WV) S. 195, the *Child Support Protection Act of 2011*, which would restore the ability of State and local governments to use child support incentive payments as matching funds to enhance collection-related activities. The Deficit Reduction Act (DRA) of 2005 eliminated the Federal match that was paid when these incentive payments were reinvested into child support enforcement programs. The American Recovery and Reinvestment Act of 2009 included a temporary restoration of this authority, through September 2010. Although companion legislation has not yet been introduced in the House, we urged Ways and Means Committee Chairman Camp (R-MI) and Ranking Minority Member Levin (D-MI) to take action on the issue, and asked our local Congressional delegation to support rescission of the DRA child support provisions.

### Flood Insurance and Flood Map Revisions

We closely monitored the development of legislation to reauthorize the National Flood Insurance Program (NFIP) because of the impact on homeowners who could be required to buy costly flood insurance due to FEMA flood map revisions. After the House Financial Services Committee approved H.R. 1309, the *Flood Insurance Reform Act of 2011*, we advocated in support of full House consideration of the measure, which includes provisions to assist local homeowners through reforms such as suspension of the mandatory purchase requirement in flood protection systems under improvement, and reform of coverage terms and premium rates. The legislation was passed by the full House in July, and also included in H.R. 3630, the *Middle Class Tax Relief and Job Creation Act of 2011*, which was passed by the House on December 13.

In the Senate, we contacted members of the Banking, Housing, and Urban Affairs Committee and Senators Boxer and Feinstein in support of NFIP extension and needed reforms. The Banking Committee approved S. 1940, the *Flood Insurance*

*Reform and Modernization Act of 2011*, in September. The measure would reform and extend NFIP through 2016. It was placed on the Legislative Calendar under General Orders in December, pending consideration by the full Senate.

#### Payments in Lieu of Taxes (PILT)

The existing authority for the Payments in Lieu of Taxes (PILT) and Secure Rural Schools (SRS) programs expires this year, and we have joined NACo in advocating for legislation to extend their authorizations. PILT partially offsets the impacts of national forests and other public lands in the County, and SRS can be used for County road improvement and maintenance projects. The most recent annual payments to the County were \$1.7 million from PILT and \$44,244 from SRS.

After Senate Energy and Natural Resources Committee Chairman Bingaman (D-NM) introduced S. 1692, the County Payments Reauthorization Act, we contacted the committee to urge expedited action on the measure. Senators Boxer and Feinstein have both signed on as cosponsors of S. 1692. We also contacted the House Natural Resources Committee and our local Congressional to advocate for PILT and SRS extension. The committee held a hearing on PILT on October 14, and companion legislation was introduced in the House as H.R. 3599 by Congressman Heinrich (D-NM) in December.

#### Unfunded Mandates

Throughout the year, we worked with NACo and other national advocacy groups on efforts to repeal the requirement mandated by the Deficit Reduction Act (DRA) of 2005 that all local, State, and Federal government agencies withhold 3% of payments to vendors and contractors for Federal income tax purposes. During the NACo Conference, we arranged and participated in meetings for CEO Wallar to advocate the issue with the local Congressional delegation, as well as the House and Senate committees of jurisdiction. Subsequently, we followed up with those committees to lobby for repeal of the provision, arguing that it is a substantial unfunded mandate on the County will be harmful to the County's small vendors in particular and may inflate the costs of County contracts. We also cited as example the fact that the County issued payments to 8,345 vendors totaling over \$456.7 million in FY 2009-10.

Legislation to repeal the requirement was introduced in the House as H.R. 674 by Congressman Herger (R-CA) and in the Senate as S. 89 and S.164 by Senators Vitter (R-LA) and Brown (R-MA), respectively. In anticipation of action by the House Ways and Means Committee in October, we contacted committee members to reiterate support for H.R. 674. The bill was approved by the Committee and subsequently by the full House. We then urged Majority Leader Reid to expedite full Senate consideration of the proposal, and asked Senators Boxer and Feinstein to support it. After the bill was amended to include provisions authorizing tax credits for hiring veterans, it was approved by a vote of 95-0. The House concurred with the Senate amendments and it was signed into law by President Obama.

We provided information to the County's Human Resources Department regarding House Judiciary Committee Chairman Smith's (R-TX) H.R 2885, the *Legal Workforce Act*. The legislation contains provisions that would specifically require re-veri-

fication of all local government employees who were not previously certified under the electronic employment eligibility verification system (E-Verify), requiring States and localities to determine the employment eligibility of nearly all workers without providing funding to do so. Chairman Smith's committee approved H.R. 2885 in September and it is currently pending the committee report to accompany the bill.