



**Date:** January 10, 2011  
**To:** Federal Legislation Committee Members  
**From:** Patrick H. West, City Manager  
**Subject:** **Federal Legislative Report: November to December 2010**

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Attached for your information is a report from Van Scoyoc and Associates, Long Beach's federal legislative advocates. This report shows status updates on several pieces of federal legislation impacting the City of Long Beach from November to December 2010. Since the 111<sup>th</sup> Congress adjourned in December 2010, much of this report provides a final status update on the pieces of legislation noted.

Please contact Tom Modica, Director of Government Affairs and Strategic Initiatives at 8-5091 if you have any questions.

cc: Mayor and Members of the City Council  
Suzanne Frick, Assistant City Manager  
Reginald Harrison, Deputy City Manager  
Tom Modica, Director of Government Affairs and Strategic Initiatives  
Jyl Marden, City Council Liaison  
Van Scoyoc and Associates

Attachments  
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**VAN SCOYOC**  
**A S S O C I A T E S**

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Washington, DC 20001

MEMORANDUM

To: Pat West, City Manager  
Tom Modica, Manager of Government Affairs  
From: Thane Young  
Buzz Hefti  
Laura Morgan  
Subject: Legislative Update for November-December 2010  
Date: January 6, 2011

**FY 2011 Appropriations**

On December 22, 2010, Congress passed a Continuing Resolution (CR) for FY 11 appropriations bills. The Senate passed the bill by a vote of 79-16, and the House passed the by a vote of 193-165. The CR will extend government funding at current levels through March 4 for most programs. The CR also extends surface transportation programs to March 4.

Like most CR's, this one does not contain direction or funding for specific programs and projects, leaving that issue to be resolved by the new Congress, which was sworn into office on January 5, 2011. Unfortunately, all FY 11 appropriation requests, including those for the City of Long Beach, have been eliminated from the CR and are not expected to return when the 112<sup>th</sup> Congress finally resolves the FY 11 spending bills in early March.

As a reminder, the City of Long Beach had received the following earmarks in the House and Senate bills:

- East San Pedro Bay Ecosystem Restoration Study (\$600,000 in the House, requested by Richardson)
- Colorado Lagoon (\$1,000,000 in the Senate, requested by Feinstein)
- Stormwater Catch Basin Treatment Plant (\$600,000 in the House requested by Richardson, Sanchez and Roybal-Allard)

It is uncertain whether Congress will provide any direction to the federal agencies for expending FY 11 funds. We will closely monitor that process and work with the City to approach the federal agencies about exercising their discretionary authority to fund projects such as the Colorado Lagoon and the East San Pedro Bay Ecosystem Restoration Study.

### **Water Resources Development Act (WRDA)**

On July 28<sup>th</sup>, Representative Jim Oberstar (D-MN), Chair of the House Transportation and Infrastructure Committee introduced H.R. 5892, the “Water Resources Development Act (WRDA) of 2010.” WRDA authorizes all Army Corps of Engineers projects and programs. The following language was included for the City:

#### **SEC. 4010. COLORADO LAGOON AND ALAMITOS BAY, LONG BEACH, CALIFORNIA.**

The Secretary shall conduct a study to determine the feasibility of carrying out a project for environmental restoration between Colorado Lagoon and Alamitos Bay, Long Beach, California.

As a reminder, the City submitted the following projects to the delegation for their consideration:

- Los Angeles River Basin Study on Waterborne Debris and Removal - \$8,000,000
- Water Infrastructure Seismic Reliability Program - \$75,000,000 for a national program
- Los Cerritos Wetlands Mitigation Bank – language request to authorize Port of Long Beach funds to be used for mitigation credits at the Los Cerritos Wetlands
- Long Beach Water Infrastructure Improvements (examples include but are not limited to: Naples Seawall, Los Angeles River Wetlands Link, Kroc Center, Colorado Lagoon, El Dorado and Scherer Park Lakes) - \$157,000,000

Unfortunately, there was no further action on this bill in the 111<sup>th</sup> Congress, so both the House and the Senate will have to start over on a new bill in the 112<sup>th</sup> Congress. It is unclear at this time how Congress will proceed on WRDA and whether specific project authorizations will be considered as earmarks, which House Republicans have voted to ban. It is also unclear how the President’s infrastructure initiative he announced over Labor Day will impact the WRDA process.

### **Transportation Authorization**

Since Congress was unable to take any further action on a new transportation reauthorization bill before the end of the 111<sup>th</sup> Congress, there was an extension of the 2005 Transportation Reauthorization bill included in the most recent Continuing Resolution, which will fund existing transportation projects until March 4, 2011. It is unclear at this time how Congress will choose to proceed with the legislation after March 4, 2011.

As a reminder, the City submitted the following transportation projects to your delegation for consideration in the 111<sup>th</sup> Congress:

- I-710 Freeway Overpass Improvements - \$2,800,000
- Long Beach Bicycle Boulevard Connections - \$4,000,000

- Pacific Coast Highway Improvement Project - \$8,000,000
- Long Beach Street Rehabilitation Project - \$6,784,000
- I-710 Shoemaker Bridge Realignment - \$56,000,000
- Long Beach Complete Streets Project - \$4,000,000

### **C-17**

The Defense Authorization bill that passed shortly before Congress adjourned does not include funding for the C-17. The Continuing Resolution also does not include funding for the Boeing C-17, nor does any other congressional earmark. At this time it is unclear how funds in the Continuing Resolution will affect C-17 contracts.

Meanwhile, Boeing is still requesting federal funds for an additional five C-17's in order to keep the production line functioning at full capacity. The Indian Air Force has also expressed interest in purchasing up to 16 additional C-17 aircraft, which may aid in maintaining production of the aircraft through 2014.

### **Flood Insurance**

Congress failed again last year to reauthorize the National Flood Insurance Program, and instead passed a simple extension of the program until September 30, 2011. The House Financial Services Committee adopted legislation to significantly modify the flood insurance program, allowing for gradual increases in rates not to exceed 20 percent per year. New maps would not take effect for 5 years and new rates would be phased-in over a 5-year period after that the implementation of the new FEMA flood maps. With a change in committee leadership and a new majority of Republicans, it is difficult to predict how flood insurance legislation or other legislation will be considered in the 112<sup>th</sup> Congress.

In a related matter, FEMA last summer announced a two-year extension of low-cost preferred risk premiums (PRP) for policies covering areas of low and moderate flooding. Unfortunately, the two-year extension did not take effect until January 1, 2011, so PRP policies in force prior to this year must be renewed at higher standard rates for this year, resulting in premium increases of \$1,000 or more. The premium will be reduced to the PRP rate the following year and will remain in effect for two years.

### **Transient Occupancy Tax**

There was no further attempt by the online travel companies (OTCs) to seek a federal preemption or restrictions on local governments' ability to collect Transient Occupancy Tax (TOT) before the end of the 111<sup>th</sup> Congress. It is likely that this effort will resurface in the new Congress. Mayor Foster last year signed a letter along with the other mayors of California's ten largest cities to urge Senators Feinstein and Boxer to oppose a federal preemption of local TOTs. Additionally, the City is pursuing legal action to recover TOTs collected by the online companies but not fully remitted to the City.

