



City of Phoenix

To: Mayor and Council
Executive Team

Date: January 22, 2009

From: Karen Peters
Government Relations Director

Subject: FEDERAL UPDATE: JANUARY 16 – JANUARY 22, 2009

This memorandum provides an update of the past week's federal activities – Congressional action, lobbying and national meetings. Please let me or Tom Remes know if you have any questions or need further information on specific legislation or issues.

JANUARY 16 – JANUARY 22, 2009

Stimulus Package Update

Last Thursday, the House Appropriations Committee released its portion of *H.R. 598 – American Recovery and Reinvestment Act of 2009 (ARRA)*, the economic stimulus legislation proposed by the incoming Obama administration. The House Appropriations Committee marked up its portion of H.R. 598 yesterday, approving one important amendment by Rep. John Olver (D-MA), the Chair of the House Transportation-Housing and Urban Development Appropriations Subcommittee, which would:

- Extend the trigger for half of the transit and highway money to be spent from 120 days to 180 days;
- Extend the time period for sub-allocated funds to be spent from 90 days to 150 days; and
- Replace the reference to “contracts or other binding commitments” with “obligated”, so the funds would only have to be “obligated” within the time limits.

The House Ways and Means Committee and the House Energy and Commerce Committee started marking up their portions of the bill today. House Appropriations Committee Chairman David Obey (D – WI) predicts that the full House will take up the bill this Wednesday, January 28.

The Senate Appropriations Committee was supposed to mark up its bill (S.1) today, but that markup has been postponed – the tentative date for markup is now Tuesday, January 27. The Senate Finance Committee also postponed its markup, scheduled for today, but has not set a new date. The Senate is still expected to consider the bill on the floor during the week of February 2.

Late this afternoon the U.S. Conference of Mayors finalized an “open letter” to members of Congress emphasizing its priorities and calling for refinement of the ARRA legislation

in five areas: (1) funding the Energy Efficiency and Conservation Block Grant (EECBG) at no less than the \$3.5 billion contained in the House bill; (2) urging that 100% (rather than 45%) of the bill's highway funds be distributed under the existing, authorized Surface Transportation Program (STP); (3) funding the Community Development Block Grant (CDBG) at \$8 billion over two years but in no event less than the \$1 billion contained in the House bill; (4) increasing the \$75,000 per-officer funding cap on Community Oriented Policing Services (COPS) and providing increased flexibility in the use of COPS funds; and (5) reestablishing a water and wastewater program (rather than the State Revolving Funds) that provides funding directly to metro areas through grants or zero interest loans.

FY 09 Appropriations Bills

The remaining FY 09 Appropriation bills will not be completed until ARRA is passed and signed into law by President Obama. Speaker Pelosi would like to pass the ARRA bill before the President's Day recess.

FY10 Budget

The FY 10 Congressional budget resolution will begin moving in February, with the goal of completion in late March or early April. The Bush Administration did not submit an FY 10 budget. The Obama Administration is likely to submit a budget outline in March. Congress will probably work to pass its FY 10 appropriations bills on time. Several members' offices have set deadlines for appropriations project submissions as early as early February. GR Staff is working with City departments to prepare our FY 10 funding priorities.

U.S. Conference of Mayors Meeting

Mayor Gordon attended the U.S. Conference of Mayors Winter Meeting in Washington D.C. The primary focus of the meeting was ARRA. Members of the House and Senate and staff shared insights regarding the negotiating process that began in earnest yesterday as well as strategy to maximize funds to cities and towns.

Inauguration of President Obama

President Barack Obama was sworn in as the 44th President of the United States of America on January 20th 2009. The swearing-in was the most well-attended inauguration in the history of this nation and certainly the most celebrated in memory. America's first African-American president took office on the heels of the 45th anniversary of Martin Luther King Jr.'s pivotal "I Have a Dream" speech. President Obama's inaugural speech lasted less than ten minutes, but in that time he reminded Americans that the road to economic recovery will be long and perilous and stressed the importance of bi-partisan policy making.

Shortly after the swearing-in, six members were confirmed to Obama's cabinet including Arizona's own Janet Napolitano as Homeland Security Secretary. An Executive Order halting all federal rule development activity was issued Tuesday evening.

January 21 was the first official day of the new administration and President Obama hit the ground running. After a prayer service at the National Cathedral, Obama met with Pentagon officials to discuss timeline for withdrawal from Iraq and the subsequent closing of the U.S. prison located in Guantanamo Bay, Cuba.

President Obama Takes the Oath Again

Wednesday night, Chief Justice John Roberts came to the White House to re-administer the oath of office to President Obama because the oath given at Tuesday's inauguration had a word out of sequence. White House Counsel Greg Craig recommended the move out of "an abundance of caution."

Salaries and Ethics

At a swearing-in ceremony for White House staff and Cabinet officials President Obama announced that given the economic climate, he would freeze the pay of White House employees who make more than \$100,000 a year.

Additionally, the President signed an executive order on ethics that prohibits executive branch employees from accepting gifts from lobbyists. It prohibits anyone who works for the administration to leave and lobby the executive branch for as long as President Obama is President. It also precludes lobbyists hired by his administration from dealing with agencies on matters they lobbied about for two years.

Replacing the Senator from New York

Hillary Rodham Clinton took charge of the State Department on Thursday, proclaiming a new era of robust U.S. diplomacy to tackle the world's crises and improve America's standing abroad. Now there is the challenge of naming her Senate replacement.

Rumor has it that New York Gov. David Paterson has summoned the state's congressional delegation for a noon press conference on Friday at the state Capitol in Albany, where it's expected he'll name a successor for Hillary Clinton's Senate seat. There is still no resolution of the Minnesota Senate contest.