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The “NATaT Washington Report” is a monthly email newsletter that provides timely information to town and township officials on the legislative, regulatory, funding, and policy decisions in Washington that could affect your communities. The Washington Report focuses on NATaT’s primary federal issues. The Washington Report is produced by NATaT’s federal representative in Washington, The Ferguson Group. For more information on the legislation described in this report, see <http://thomas.loc.gov/> or contact The Ferguson Group. Contact NATaT federal director Jennifer Imo at 1.866.830.0008 or jennifer.imo@natat.org for more information.

THE SEPTEMBER 2007 WASHINGTON REPORT CONTAINS SUMMARIES OF THE FOLLOWING ISSUES:

- **CENSUS**
- **ELECTION REFORM**
- **ENERGY BILL**
- **ENVIRONMENT AND NATURAL RESOURCES**
- **FARM BILL**
- **FIRST RESPONDERS**
- **HOMELAND SECURITY**
- **TELECOMMUNICATIONS**

CENSUS

2010 Census Funding in Trouble

Congress has enacted a Continuing Resolution (CR), which limits spending at all federal agencies to their FY07 levels for six weeks. The terms of the CR pose unique problems for the Census Bureau, especially as it prepares for the 2010 Census. The Administration requested a 38.5% increase in funding for the Bureau in FY 2008 to fund preparations and testing activities, including the important 2008 Census Dress Rehearsal and the Local Update of Census Addresses (LUCA) program. Without additional funding, the Bureau may be forced to cancel crucial preparations for the decennial census, including canceling the 2008 Census Dress Rehearsal. Census officials have stated that the CR may make it impossible to fund the final phase of the Dress Rehearsal, which could mean that for the first time in forty years, the Bureau will not be able to test the final Census design.

NATaT has signed on to a letter to the U.S. Secretary of Commerce Carlos Gutierrez and various Members of Congress urging them to exempt the Census Bureau from the CR and to fully fund the Census Bureau at the President's FY 2008 request. NATaT joined a collaboration of state and local governments, labor groups, and business in this effort.

The 2010 Census Dress Rehearsal is important for towns and townships because it will help ensure an accurate count for small communities. The Dress Rehearsal provides the Bureau with the only opportunity to test hard to reach communities, such as towns and townships. NATaT's support of the Census Bureau and preparations for the 2010 Census has come at an important time and we will continue to bring NATaT members up-to-date information to ensure that towns and townships are not left out of the process.

Census Huge Success at NATaT Annual Conference

NATaT members showed their support and interest for the 2010 Decennial Census in large numbers during the Census panel at the NATaT conference. Over 150 participants listened as the Deputy Director of the Census Bureau, Preston Jay Waite, explained the Local Update of Census Addresses (LUCA) program process and how local governments can get involved. Ms. Jackie Byers, Director of Research and Policy for the National Association of Counties (NACo) stressed the importance of involvement in the LUCA program by towns and townships. Ms. Byers explained how Census data is used, and how funding is allocated to the different government agencies. Mr. John Cuaderes, Policy Advisor for the U.S. House of Representatives Committee on Oversight and Government Reform, gave participants the legislative update on funding for the Census Bureau. Larry Merrill, Executive Director of the Michigan Township Association, and NATaT board member, moderated the session, which was followed by a brief Q&A session.

If you would like copies of the materials distributed during the Census panel, please contact Diana Mendoza at dmendoza@tfgnet.com.

ELECTION REFORM

The Voter Confidence and Increased Accessibility Act of 2007, H.R. 811, introduced by Representative Rush Holt (D-N.J.) was scheduled to go to the floor in mid September but plans were scrapped due to continued strong local and state opposition. In fact, a coalition of 11 groups, including the National Governors Association and the U.S. Conference of Mayors, wrote Democratic leaders asking them to abandon the bill completely.

H.R. 811 would amend the Help America Vote Act of 2002 by requiring a voter-verified permanent paper ballot in time for the 2008 elections. This bill would impose numerous federal mandates for the 2008 elections including a requirement that all ballots to be printed on archival quality paper and meet federal standards for converting the printed ballot into accessible media for verification by visually impaired voters.

House Majority Leader Steny Hoyer (D-MD) still wants to get a bill to conference and says that the measure remains a Democratic priority.

NATaT is working with NACo to oppose this measure, emphasizing that the federal mandates prescribed in the bill for next year's election are unworkable, as federal standards for many of the mandates have not yet been issued. Additionally, H.R. 811 and S. 1487 would dictate extremely expensive and time-consuming practices for conducting audits and recounts even when one candidate wins by a wide margin. There is simply not enough time to enact state conforming legislation, do testing and procurement, develop training materials, and train election officials, pollworkers and voters on how to use equipment they have never used.

ENERGY BILL

The recently passed energy legislation (H.R. 3221 and H.R. 6) have yet to be sent to a conference committee. Conferees will be faced with many details that will need to be ironed out in terms of CAFE, RPS and controversial tax provisions. Leadership is still considering an alternate route of bypassing conferencing the bills and making changes at the leadership level.

ENVIRONMENT AND NATURAL RESOURCES

Water Resources Development Act (WRDA)

On September 24, the Senate passed the Water Resources Development Act of 2007 (WRDA) conference report, H.R. 1495, by an 81 – 12 vote. The conference report passed the House before the August recess by a 381 – 40 margin. The President has threatened to veto the bill because of its \$23 billion projected cost. Members of Congress feel that support for the bill will not fade and both chambers will be able to override any presidential veto.

The bill authorizes hundreds of Army Corps of Engineer projects across the country. Specifically, the bill authorizes \$2 billion for projects in California; \$1.8 billion for the Everglades; \$81 million for eastern counties in Florida for a water reservoir; \$2 billion for the Upper Mississippi River region and \$4 billion for projects in Louisiana.

Critics of the legislation, including Senator Russ Feingold (D-WI), feel the bill does not adequately reform the Army Corps by not including language which triggers increased scrutiny of projects costing more than \$45 million. Additionally, fiscally conservative Senator Jim DeMint (R-SC) and Senator Claire McCaskill (D-MO) argued against earmarks included in the bill during conference negotiations.

While the WRDA legislation should be passed every two years, Congress has not passed a WRDA bill since 2000.

Many towns and townships are directly involved or affected by water resource projects on their local rivers, lakes, coasts, canals, reservoirs, and wetlands. NATaT supports the passage of WRDA legislation that is badly needed to support local water resource improvements and projects. WRDA legislation should include increased funding for local projects, improvements to the Corps planning process to reduce delays in Corps projects, fair cost-share methodologies for local project sponsors, and broadened Corps authorities to support local waterfront revitalization.

FARM BILL

The Senate Agriculture Committee has not yet formerly introduced its version of the Farm Bill despite the impending expiration of the current farm bill on September 30. While no official language has been introduced in the Senate, two draft versions of farm bill extension bills have been circulating. Senate Agriculture Committee Chairman Tom Harkin's (D-IA) version will include new limits on farm payments and funding boosts for conservation, nutrition, and energy programs. Likewise, Senator Kent Conrad (D-ND) and Senator Saxby Chambliss (R-GA) have been circulating drafts of legislation what will preserve the current farm subsidy programs.

Chairman Harkin has stated that he would like to mark-up a five-year reauthorization bill before the Columbus Day recess. But with much debate on the Farm Bill anticipated this fall, he is prepared to introduce legislation that will extend current farm programs through the end of October. The extra month will allow the Agriculture Committee more time to debate the details of the Farm Bill as well as to negotiate final provisions with the House. Chairman Harkin also acknowledged that if no agreement on the Farm Bill is reached, a long-term extension of the current law (P.L. 107-171) may become necessary.

The House passed its version of the Farm Bill, H.R. 2419, the Farm, Nutrition, and Bioenergy Act of 2007 on July 27.

The rural development and broadband deployment programs supported by federal farm legislation are essential to towns and townships. NATaT will remain active in the Farm Bill reauthorization process to ensure that these programs are adequate to handle the national needs of small and rural communities, and that NATaT communities are eligible to participate in these programs.

FIRST RESPONDERS

Volunteer Responder Incentive Protection Act of 2007 (VRIP Act, H.R. 943/S. 1466)

On May 23rd, Senators Christopher Dodd (D-CT) and Gordon Smith (R-OR) introduced S. 1466, the Senate companion bill to the House Volunteer Responder Incentive Protection Act, H.R. 943. The bill is currently pending before the Senate Finance Committee and has three cosponsors. The House version of the Volunteer Responder Incentive Protection Act of 2007 was introduced on February 8th by Representative John Larson (D-CT). The House bill has 152 cosponsors and is currently pending before the House Ways and Means Committee.

The bills would amend the Internal Revenue Code of 1986: (1) to exclude from gross income real or personal property tax rebates or *any other benefits* provided to volunteer firefighters and emergency medical responders; and (2) to exempt from social security, unemployment taxes, and wage withholding real or personal property tax rebates or any other benefits provided to volunteer firefighters and emergency medical responders. "Any other benefits" is defined as a benefit, other than a property tax rebate, that a state or local government provides an individual for serving as a member of a qualified volunteer emergency response organization, such as a small stipend. Volunteer firefighters and emergency medical responders must be members of a volunteer emergency response organization that is organized and operated to provide firefighting and emergency medical services, as required and recognized by the state or local government.

Examples of some of the recruiting and retention incentives, aside from property tax abatements, that communities are currently experimenting with include modest stipends that are sometimes paid per call or in lump-sums per year or quarter, health benefits, retirement awards, state income tax credits, length of service awards, and death benefits. The bill language provides flexibility to allow states and local governments to adopt the appropriate incentive programs and structure them through their own legislatures. Various tax incentives are currently offered to volunteer emergency responders in five states: Connecticut, Maryland, South Carolina, New York, and Delaware.

Volunteer firefighters and EMS personnel are integral to public safety in towns and townships. NATaT strongly supports this proposed law that would provide appropriate incentives and protections for the men and women who volunteer to serve their local communities through volunteer fire and EMS companies. NATaT has teamed up with the National Volunteer Fire Council, the Congressional Fire Services Institute and the International Association of Fire Chiefs to support H.R. 943 and S. 1466, and sent a joint letter to Senators Dodd and Smith thanking them for their support of this issue.

Thanks to the information from towns and townships across the nation provided to NATaT from the recently disseminated tax surveys, we are currently compiling data regarding the impact of volunteer firefighters and EMS personnel on your state. That information will be shared with members of NATaT's congressional delegation, including Rep. Larson and Senator Dodd, who are spearheading this legislation.

TELECOMMUNICATIONS

Community Broadband Bill introduced in the House

On August 1, House Energy and Commerce Committee Members Congressman Rick Boucher (D-VA) and Congressman Fred Upton (R-MI) introduced the Community Broadband Act of 2007, H.R. 3281. The legislation supports the deployment of high speed networks by preserving the ability of local governments to offer community broadband infrastructure and services. The bill also includes competitive safeguards to ensure that public providers cannot abuse governmental authority to discriminate against private competitors. The legislation is currently pending before the House Committee on Energy and Commerce.

The Senate companion bill, S. 1853, introduced by Senator Lautenberg (D-NJ) on July 23 is currently pending before the Commerce, Science, and Transportation Committee. The Senate bill has seven cosponsors, include Commerce, Science, and Transportation Committee Chairman James Inouye (D-HI), Vice Chairman Ted Stevens (R-AK), Senator John Kerry (D-MA), Senator John McCain (R-AZ), Senator Claire McCaskill (D-MO), Senator Gordon Smith (R-OR) and Senator Olympia Snowe (R-ME).

House Introduces Internet Tax Freedom Extension Act

On September 27, House Judiciary Committee Chairman John Conyers (D-MI) introduced the Internet Tax Freedom Extension Act, H.R. 3678. H.R. 3678 would provide:

- four year extension of the moratorium on taxes on Internet access services;

- the Subcommittee's definition of Internet access (with local government input);
- grandfather clause protecting state and local revenues from Internet access enacted in 1998 or before;
- protection for three states applying gross receipts taxes to multi-channel pay TV services; and
- prohibition on taxes on the Internet backbone as of November 1.

The House Judiciary Committee is scheduled to hold a hearing on this legislation within the next few weeks.

The Senate companion bill, S. 1453, was scheduled to be considered on September 27, but was pulled from the Senate Commerce, Science and Transportation Committee agenda. The Senate bill would have extended the current ban on Internet access taxes; however there was disagreement over whether there should be a temporary or permanent ban. Committee leaders wanted to approve a four-year extension of the moratorium, but a bipartisan group of Committee members were pushing for a permanent ban.

The Committee has not marked up the legislation, but there was an agreement to move ahead on a six-year extension of the current law (PL 105-277), which expires November 1.