



## CSAC WASHINGTON BRIEFS

SECOND QUARTER 2012

Washington was bustling with legislative and judicial activity during the second quarter of 2012, as both Congress and the Supreme Court tackled a number of high-profile issues. On Capitol Hill, lawmakers were finally able to reach agreement on a long-awaited reauthorization of surface transportation programs. Congress also was under pressure to reauthorize a broad range of expiring agricultural and nutrition assistance programs, the National Flood Insurance Program (NFIP), user fees for the Food and Drug Administration (FDA), and a student loan interest-rate reduction measure.

For its part, the Supreme Court upheld on a 5 to 4 decision the *Patient Protection and Affordable Care Act (ACA)*, which was enacted into law in 2010. Most significantly, the high court ruled that the controversial individual mandate, which is the centerpiece of the health care law, is allowable under Congress' taxing authority in the Constitution.

Aside from the individual mandate, the court also ruled on the law's forthcoming Medicaid expansion. The ACA provides extra funding as an incentive for states to expand their Medicaid coverage, but also includes potential penalties for states that fail to do so. The court determined that the federal government could supply extra Medicaid funding to the states, but that it could not penalize noncompliant states by withholding funds from components of the Medicaid program that existed before the ACA was signed into law.

The reaction to the court's ruling from national leaders followed the tone of this year's presidential campaign, signaling that the political battle over President Obama's signature health care reform law is far from finished. While the president and Democratic leaders claimed victory, congressional Republicans vowed to continue their efforts aimed at repealing the ACA. Any effort to scrap the Act, however, is likely to die in the Democrat-led Senate.

In other developments, Congress continued efforts aimed at approving a new Farm Bill reauthorization. On June 18<sup>th</sup>, the Senate passed its reauthorization package (S 3240) by a vote of 64-35, with the support of Senators Dianne Feinstein (D-CA) and Barbara Boxer (D-CA).

According to the Congressional Budget Office, the Senate Farm Bill is projected to cost roughly \$969 billion over the next ten years. When compared to current funding levels, this equates to a savings of \$23.6 billion.

In terms of the Supplemental Nutrition Assistance Program (SNAP) – formerly known as Food Stamps – the Senate rejected a proposal by Senator Kirsten Gillibrand (D-NY) that would have restored a \$4.5 billion cut to the program. While both California senators voted in favor of the amendment, it was defeated 66-33. The Senate also voted down an amendment by Senator Jeff Sessions (R-AL) that would have further weakened SNAP.

Across Capitol Hill, the House Agriculture Committee is working on a draft bill that is expected to differ significantly from the Senate legislation on the structure of farm support programs and the level of cuts to the SNAP program. The House bill will likely have a savings target of \$33 billion over 10 years, with most of the extra savings coming from deeper cuts to SNAP. The committee is expected to consider its bill early in the third quarter.

On the fiscal year 2013 budget front, the House Appropriations panel has cleared 11 of the 12 annual spending bills, with five measures approved by the full House. In the Senate, the Appropriations Committee has approved nine spending bills; the full chamber has yet to consider any of the fiscal year 2013 appropriations measures.

It should be noted that Senate appropriators are proceeding with a \$1.047 trillion discretionary spending cap, which was set as part of last year's debt limit law (PL 112-25) and is up slightly from the current year's \$1.043 trillion level. For their part, House appropriators have endorsed the \$1.028 trillion spending allocation outlined in the lower chamber's fiscal year 2013 budget resolution.

Congress is unlikely to clear many, or perhaps any, stand-alone appropriations bills this year, and will likely have to resort to combining several bills into an omnibus measure before the current fiscal year ends.

## **NATIVE AMERICAN AFFAIRS**

This past quarter, the U.S. Supreme Court handed down a ruling on an Indian trust land case that has implications for individuals – as well as local community groups – who oppose federal land-into-trust decisions. In *Match-E-Be-Nash-She-Wish Band of Pottawatomis Indians v. Patchak et al*, the Court ruled that Wayland Township, MI resident David Patchak has standing to challenge the secretary of the Interior's acquisition of land upon which the Gun Lake Casino was built. The case has been remanded to the U.S. Circuit Court of Appeals in Washington, D.C., where Patchak's lawsuit can continue.

It should be noted that Patchak's lawsuit claims that the Department of Interior did not have authority to take land into trust for the tribe because it was not "under federal jurisdiction" at the time of the enactment of the *Indian Reorganization Act (IRA)* of 1934. The suit is based on

the Supreme Court's 2009 decision in *Carcieri v. Salazar*, which limits the secretary's trust land acquisition authority to pre-IRA tribes.

In the immediate aftermath of the *Patchak* decision, tribal organizations renewed their calls for Congress to overturn the *Carcieri* decision. For its part, the National Congress of American Indians called the Court's ruling a severe injustice and one that affects all of Indian Country. Other tribal groups also immediately blasted the decision and have been using the court's ruling as a rallying cry to Indian Country to appeal to Congress for action.

On a related matter, Senator Daniel Akaka (D-HI) this past quarter proposed an amendment to the Senate's Farm Bill, which, among other things, would have reversed *Carcieri v. Salazar*. After a protracted debate over the Farm Bill, Senator Akaka's amendment was not brought to the floor for a vote.

Finally, the House approved in May the *Helping Expedite and Advance Responsible Tribal Homeownership Act of 2012* (HEARTH Act). The legislation (HR 205) would extend to any Indian tribe the discretion granted under current law only to the Navajo Nation to lease restricted lands for business, agricultural, public, religious, educational, recreational, or residential purposes without the approval of the secretary of the Interior.

Last year, the Senate Indian Affairs Committee attached a *Carcieri* "fix" bill (S 676) to its version of the HEARTH Act (S 703). Senator Feinstein has placed a hold on the HEARTH Act due to her objections over inclusion of the *Carcieri* fix language.

### REAUTHORIZATION OF SAFETEA-LU

After months of delay and uncertainty surrounding the prospects for a new long-term transportation reauthorization bill, House and Senate negotiators struck an agreement this past quarter on a two-year highway and transit package (HR 4348). The bill, dubbed the *Moving Ahead for Progress in the 21<sup>st</sup> Century Act*, or MAP-21, authorizes federal transportation investment through September 30, 2014.

All told, the new transportation bill is expected to cost roughly \$120 billion. Highway and transit formula programs will continue to be funded with contract authority, meaning the programs are insulated from the uncertainty of the annual appropriations cycle. Transit new starts, research programs, and administrative expenses will continue to be funded through the federal general fund via the appropriations process.

Notably, MAP-21 is not solely a surface transportation package. Due to other expiring programs, lawmakers included in the legislation provisions that extend federal subsidies for college student loans, as well as provisions providing for a long-delayed reauthorization of the NFIP.

### ***Funding and Implementation***

MAP-21 provides funding for the federal-aid highway program through fiscal year 2014 at current levels, with a modest inflationary adjustment. For fiscal year 2013, the highway obligation limit is set at roughly \$39.7 billion, with the obligation limit rising to nearly \$40.3 billion for fiscal year 2014. Likewise, the bill provides inflationary funding increases for transit programs. Investment levels are set at roughly \$10.6 billion for fiscal year 2013 and \$10.7 billion for fiscal year 2014.

MAP-21 extends federal motor fuel taxes through September 30, 2016; the fuel taxes are the primary source of revenue for the Highway Trust Fund (HTF). The bill also transfers \$2.4 billion from the Liquid Underground Storage Tank Trust Fund into the HTF and shifts \$18.8 billion to the HTF from the General Fund, including \$16.6 billion to the Highway Account and \$2.2 billion to the Mass Transit Account.

### ***Highway Program – State Distribution Formula***

For fiscal year 2013, each state will receive a total apportionment of highway program funds equal to its fiscal year 2012 apportionment. For fiscal year 2014, the formula will begin with the fiscal year 2012 apportionment followed by an adjustment to ensure that no state will receive less than 95 percent of its contribution to the HTF.

With regard to California, the state's highway apportionment will be \$3.54 billion in fiscal year 2013 and \$3.57 billion in fiscal year 2014. The funding will be divided principally among the following programs: Congestion Mitigation and Air Quality Improvement Program (CMAQ) and Metropolitan Planning (the same share of the state's total apportionment as in fiscal year 2009); 63.7 percent of the remaining funds to the National Highway Performance Program; 29.3 percent of the remaining funds to the Surface Transportation Program (STP); and, seven percent of remaining funds to the Highway Safety Improvement Program (HSIP).

### ***“Core” Highway Programs***

Under MAP-21, about 60 programs are either eliminated or consolidated into the following four “core” programs: the National Highway Performance Program; STP; CMAQ; and, HSIP.

With regard to STP, MAP-21 retains the same structure and goals of the previous program to allow states, metropolitan areas, and other areas of states to invest in highway and bridge projects. Activities that previously received dedicated funding via SAFETEA-LU, but are being consolidated under MAP-21, are retained as eligible activities under STP (including border infrastructure projects, as well as certain transportation enhancement-related activities).

Under HSIP, construction and operational improvements on high risk rural roads will be one of a number of allowable highway safety improvement project areas. Although the bill does not provide dedicated funding for the High Risk Rural Roads (HRRR) program, the legislation specifies that if the fatality rate on rural roads in a State increases over the most recent two-year period, the State is required to increase spending on rural roads in the next fiscal year.

Funds spent on rural roads would need to be equal to at least 200 percent of the amount of funding the State received for fiscal year 2009 for such roads.

### ***Off-System Bridges***

In a major victory for CSAC, the final transportation measure retains language from the Senate bill that maintains a dedicated federal funding stream for off-system bridges. Consistent with current law, MAP-21 requires a State to obligate for local bridge projects not less than 15 percent of the funds that were apportioned to it under the Highway Bridge Program in fiscal year 2009. Should State and local officials determine that the State has inadequate needs to justify the expenditure, the Transportation Secretary can rescind the requirement.

### ***Environmental Streamlining***

MAP-21 includes various provisions aimed at shortening the length of the transportation project delivery process. The bill, for example, makes permanent the Surface Transportation Project Delivery Pilot Program, which has allowed California to significantly streamline the process for the delivery of highway projects. Additionally, under the legislation, the program is expanded to include rail, public transit, and multimodal projects.

Although the final package does not establish a program to eliminate duplicative state and federal environmental reviews and approvals (similar to CSAC-endorsed “reciprocity” legislation (HR 2389)), it would require the Government Accountability Office (GAO) to undertake a related study. Pursuant to MAP-21, GAO will be required to review state laws and procedures for conducting environmental reviews. The study will also identify the states that have environmental laws that provide protections and opportunities for public involvement that are equivalent to those provided by federal environmental laws. GAO must submit its findings to Congress no later than two years after the date of the legislation’s enactment.

MAP-21 includes several other significant changes to the environmental review and approval process for transportation projects. For example, the bill provides for accelerated decision-making by setting deadlines for decisions by the lead agency, as well as other federal agencies with responsibilities for environmental review. MAP-21 also provides for financial penalties for agencies that do not complete other environmental reviews by certain deadlines.

In addition, the legislation allows for the expanded use of categorical exclusions (CEs), which are actions that do not involve significant environmental impacts and for which neither an environmental assessment nor an environmental impact statement (EIS) is required. The bill will allow CEs to be used for the following: projects within an existing right-of-way; repair and reconstruction of existing roads, highways, and bridges; certain components of multi-modal projects; projects damaged by natural disasters; and, projects receiving minimal federal funds.

### ***Metropolitan Planning Organizations***

With regard to transportation planning, the legislation would ensure that existing Metropolitan Planning Organizations (MPOs) retain their designation as an MPO. The bill also maintains the existing population threshold for the designation of new MPOs (urbanized areas with a

population of more than 50,000 individuals). Within two years of enactment, however, each MPO must include representation by providers of public transportation. It should also be noted that Caltrans will be required to reimburse MPOs for eligible expenditures within 15 days (current law is 30 days).

In addition, MAP-21 improves metropolitan and statewide planning processes to incorporate a more comprehensive performance-based approach. Pursuant to the legislation, MPOs will be required to establish targets to track their progress towards attainment of outcomes for the region. To ensure consistency, these targets will be established in coordination with Caltrans and providers of public transportation. Within five years, the Transportation Secretary will report to Congress on the effectiveness of performance-based planning for each MPO.

### **TIFIA**

MAP-21 includes a title on “America Fast Forward Financing Innovation,” which would build upon the current Transportation Infrastructure Finance and Innovation (TIFIA) program. TIFIA, which provides direct loans, loan guarantees, and lines of credit to surface transportation projects at favorable terms to leverage private and other non-federal investment in transportation improvements, would be modified by, among other things, increasing the maximum share of project costs from 33 percent to 49 percent. The bill increases annual funding for TIFIA from \$122 million to \$750 million in fiscal year 2013 and \$1 billion in fiscal year 2014. Additionally, the legislation sets aside funding for projects in rural areas at more favorable terms.

### **Transportation Alternatives**

The final transportation bill consolidates the Transportation Enhancements (TE), Safe Routes to School (SRTS), and Recreational Trails (RTP) programs into a new program called Transportation Alternatives. The legislation sets total funding for the program at two percent of total highway funding (not including the Mass Transit account). Of that funding, 50 percent will be directly allocated to local entities, and the rest will go to the state. States will have some flexibility in how to use the funding allotted to them.

### **REAUTHORIZATION OF THE SECURE RURAL SCHOOLS ACT**

In a major victory for CSAC and California’s forest counties, MAP-21 includes a one-year continuation (through fiscal year 2012) of the *Secure Rural Schools and Community Self-Determination Act* (SRS). The measure also extends (through fiscal year 2013) funding for the Payments-in-Lieu-of-Taxes (PILT) program. Under the bill, SRS will be funded at 95 percent of fiscal year 2011 levels, and PILT will be fully funded.

In fiscal year 2011, California received a total of \$39.3 million in SRS funding, which was distributed to 32 counties. Accordingly, California counties can expect to receive approximately \$37.4 million in fiscal year 2012.

Although lawmakers in the House and the Senate have proposed legislation that would provide for a long-term reauthorization of the program, those bills have failed to gain traction.

In the Senate, Energy and Natural Resources Committee Chairman Jeff Bingaman (D-NM) and Ranking Member Lisa Murkowski (R-AK) have sponsored the *County Payments Reauthorization Act* (S 1692), which would essentially continue the current program for an additional five years. The legislation has 32 bipartisan cosponsors, including Senators Feinstein and Boxer.

On the other side of the Capitol, House Republicans have taken a different approach. Natural Resources Committee Chairman Doc Hastings (R-WA) has sponsored the *Federal Forests County Revenue, Schools, and Jobs Act* (HR 4019), which would return the program to one based on active forest management. These reforms would be accomplished largely by rolling back environmental laws and other legal protections, which does not sit well with most Democrats.

### STATE CRIMINAL ALIEN ASSISTANCE PROGRAM

This past quarter, the Bureau of Justice Assistance (BJA) announced that it was discontinuing its practice of reimbursing state and local jurisdictions for the costs of detaining offenders of “unknown” immigration status. The change, announced as part of the fiscal year 2012 State Criminal Alien Assistance Program (SCAAP) application cycle, will have a significant, detrimental impact on California counties’ SCAAP awards.

Since 1996, BJA has provided variable SCAAP reimbursement amounts to jurisdictions for the costs of incarcerating inmates of both *known* and *unknown* immigration status. An “unknown” inmate is an individual who has had no prior contact with the federal immigration system and whose identity therefore cannot be confirmed by the Department of Homeland Security (DHS).

According to BJA, the practice of providing partial reimbursement credit for unknown inmates was a recognition that some of these individuals could have been undocumented if they had entered the United States illegally and never came into contact with federal immigration authorities. Because there would have been no contact with the federal government, DHS would not be able to confirm the inmate’s status as undocumented.

It should be noted that for the 2011 SCAAP payment cycle, BJA actually increased the SCAAP reimbursement percentage to counties for the cost of unknown inmate days. The decision to boost these payments was based on a DHS review of recent unknown inmate data which showed that of the records that were updated, reviewed, and came back with a known inmate status, 86 percent were attributable to inmates in county facilities. BJA’s 2011 decision was acknowledgement that an extremely high percentage of “unknown” inmates are, in fact, undocumented immigrants.

While BJA’s rationale for its new policy is to “make better use of limited SCAAP funding and to ensure jurisdictions are reimbursed only for known undocumented criminal aliens,” the effect of the policy is to shift dollars from counties to states since counties generally have a higher

percentage of unknown inmates in their correctional facilities. Accordingly, under the new policy, counties would see a dramatic drop in their SCAAP payments, while states would see large gains. By way of illustration, if BJA's new reimbursement policy had been in effect for the 2010 Solicitation Year, California counties' SCAAP allocations would have been cut by over \$18.8 million – from \$40.8 million to \$21.9 million, a decrease of over 46 percent.

There have been a number of efforts aimed at compelling the Department of Justice to reverse its decision. For starters, county government associations, sheriff's departments, and individual counties have written to DOJ and BJA to register their strong opposition to the policy change. CSAC has been and remains a leader in opposing this ill-advised change.

In Congress, a number of lawmakers have written to Attorney General Eric Holder to express their concern and opposition to the new policy. In the House, Congressman Mike Honda (D-CA) joined forces with Congressman John Carter (R-TX) to spearhead a Dear Colleague letter to the attorney general urging the Department of Justice to reconsider its decision. Senator Boxer also sent a letter to the attorney general to highlight the concerns raised by California's counties.

With regard to the fiscal year 2013 budget, the House approved this past quarter its fiscal year 2013 Commerce-Justice-Science (CJS) appropriations bill (HR 5326). The legislation, which would provide a total of \$51.1 billion in fiscal year 2013 spending, represents a \$1.6 reduction in spending. Among other things, the bill would provide \$165 million for the State Criminal Alien Assistance Program (SCAAP), or a proposed cut of \$75 million.

Across Capitol Hill, the Senate Appropriations Committee-approved CJS spending legislation includes \$255 million for SCAAP, or a \$15 million boost in funding. The difference between the two chambers spending bills will need to be reconciled in a House-Senate conference committee later this year.

#### **ARMY CORPS OF ENGINEERS LEVEE VEGETATION REMOVAL POLICY**

This past quarter, CSAC sent correspondence to the U.S. Army Corps of Engineers (Corps) in response to a recent *Federal Register* notice soliciting comments on the agency's updated levee vegetation variance process. The association's comments and recommendations, which were based on technical input provided by member counties, including local flood and stormwater management agencies, were shared with key members of Congress and the Obama administration.

The Corps' vegetation management standards generally require local flood control agencies to remove woody vegetation from levees in order to allow for easier inspections and to reduce any potential weakening of, or damage to, levees from root growth and overturned trees. Levees that the Corps deems to be out of compliance with its vegetation policy would no longer be eligible for federal disaster assistance. Incidentally, in advancing its policy, the Corps cites no documentation that links actual levee failures to the presence of woody vegetation.

Although the Corps does have a “variance” process that allows levee sponsors to request that vegetation remain on levees, California’s local flood agencies have determined that the procedure is unworkable and does not provide sufficient flexibility. Furthermore, according to recent estimates, the per-levee-mile cost to apply for a variance is a significant financial hurdle for local agencies.

Citing fundamental flaws of the Corps’ directives, CSAC is requesting that the agency delay implementation of its levee vegetation management policy. CSAC also is urging the Corps to seek modifications to the policy that: considers regional variations across the nation as directed by Congress in the 1996 Water Resources Development Act; includes variance and exemption provisions where appropriate; conforms to other federal and state laws and allows for risk-based and science-based management decisions; includes local government in a transparent and collaborative process; and, delegates limited authority to approve variances and exemptions to Corps Division commanders.

On a related matter, 35 members of the California congressional delegation sent a letter this past quarter to the assistant secretary of the Army for Civil Works urging the Corps to undertake a number of key revisions to its levee vegetation management standards. While the correspondence notes that the Corps has made constructive attempts to address public safety issues via its new System-wide Improvement Framework (SWIF), the lawmakers are requesting that the Agency revise its variance policy to establish a practical process that considers incremental risk posed by levee vegetation.

In other developments, Representative Doris Matsui (D-CA) introduced legislation (HR 5831) in May that would require the secretary of the Army to undertake a comprehensive review of the Corps’ policy guidelines on vegetation management for levees. The bipartisan bill, entitled the Levee Vegetation Review Act, is cosponsored by 30 members of the California congressional delegation.

Under HR 5831, the secretary would be required to take into account several key factors when undertaking the policy review process, including the varied interests and responsibilities in managing flood risks, such as the need to provide the greatest safety benefit with limited resources. The bill also would require the secretary to consider factors that promote and allow for variances from the national guidelines on a regional or watershed basis. Additionally, the legislation would require the secretary to solicit and consider the views of the National Academy of Engineering as part of the review process.

#### **CLEAN WATER ACT – SECTION 404 PERMITTING**

There was no action this past quarter on Representative Gary Miller’s (R-CA) bipartisan legislation that would streamline the Clean Water Act’s (CWA) Section 404 permitting process. The bill, entitled the *Flood Control Facility Maintenance Clarification Act* (HR 2427), would

provide a narrow permitting exemption for maintenance removal of sediment, debris, and vegetation from flood control channels and basins.

On a related matter, Representative John Mica (R-FL) introduced legislation (HR 4965) this past quarter that would block the Environmental Protection Agency (EPA) and the Corps from finalizing their joint “waters of the U.S.” guidance. The legislation was approved by the House Transportation and Infrastructure Committee on June 7<sup>th</sup> on a 33-18 vote. Mica’s bill is a companion measure to Senator John Barrasso’s (R-WY) legislation (S 2245), which was introduced earlier this year.

The proposed EPA-Corps guidance, which is under final review at the Office of Management and Budget (OMB), would expand the scope of the CWA to give the agencies regulatory authority over additional waters within the United States, including those waters now considered entirely under state jurisdiction.

The pending guidance is of concern to county governments for a variety reasons. For example, the guidance in its current form would likely result in the Corps asserting jurisdiction over county ditches via the Section 404 program. Such agency action would create additional regulatory burdens on counties and would impose additional costs.

#### **PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM**

This past quarter, the Federal Housing Finance Agency (FHFA) posted its Notice of Proposed Rulemaking (NPR) on Property Assessed Clean Energy (PACE) programs. FHFA was required to proceed through a formal rulemaking process after a U.S. District Court in California ruled that the agency had violated the Administrative Procedure Act in its decision to block Fannie Mae and Freddie Mac from purchasing residential mortgages with PACE assessments.

The court, however, did not rule that FHFA’s policy was illegal, only that the process was flawed. Despite having to proceed through a public comment process, the agency is not necessarily required to change its policy regarding PACE. It should also be noted that FHFA has appealed the decision, and if the appeal is successful, the agency would no longer be required to undertake a formal rulemaking process.

In response to an Advanced Notice of Proposed Rulemaking issued in January, FHFA received over 33,000 comments, including one submitted by CSAC. For the most part, FHFA acknowledges that the majority of these comments included support for PACE programs. It was not enough, however, for the agency to change its position. FHFA continues to maintain that PACE programs increase the financial risks to Fannie Mae and Freddie Mac. Accordingly, the NPR prevents federal lenders from purchasing loans that are subject to senior PACE liens.

Furthermore, the NPR criticizes PACE legislation – the PACE Assessment Protection Act of 2011 (HR 2599) – sponsored by Representatives Mike Thompson (D-CA), Dan Lungren (R-CA), and Nan Hayworth (R-NY). FHFA believes that the underwriting standards proposed in HR 2599 are

too complex, incomplete, and impractical to implement. The agency concludes that these standards would not adequately protect mortgage holders from financial risk.

FHFA is now seeking comments on the proposed rule, as well as on the potential alternatives. Written comments must be received on or before July 30, 2012.

#### **TEMPORARY ASSISTANCE FOR NEEDY FAMILIES REAUTHORIZATION**

This past quarter, the Senate Finance Committee held a hearing on the impact of poverty on American families. The hearing included an examination of programs that are designed to address poverty, such as the Temporary Assistance for Needy Families (TANF) program. One of the issues that the panel focused on was the fact that, in many states, TANF caseloads did not increase as much during the recession as would have been expected, and in some states, caseloads actually declined.

A concern expressed by some members of the Finance Committee was that a significant share of spending under the TANF program is not clearly identified by states. Incidentally, GAO has found that 71 percent of TANF funds are now spent on non-cash assistance services. For his part, the committee's ranking member, Senator Orin Hatch (R-UT), indicated that the spending and composition of the TANF caseload essentially shows that program has become a child welfare initiative.

Across Capitol Hill, the House Ways and Means Committee's Human Resources Subcommittee held a similar hearing on TANF, focusing on how much spending is directed to programs that fulfill TANF work requirements and how that spending is calculated. According to subcommittee Chairman Geoff Davis (R-KY), there is cause for concern that some States are no longer matching federal spending as reliably as they once did. In addition, Davis noted that States' ability to claim a broad range of items as TANF spending has eroded key features of the federal-state partnership. These issues may be addressed as either part of a long-term TANF reauthorization package or as part of another TANF extension bill.

At this point, no long-term reauthorization measure has been introduced in either the House or Senate. Accordingly, it is clear that there will not be a full TANF reauthorization bill considered this year. What is less clear, however, is whether another short-term bill will include additional policy changes, such as limiting the types of activities states may use to claim excess maintenance of effort credits.

We hope this information is useful to California county officials. If you have any questions or comments, please feel free to contact us.