



CWDA

County Welfare Directors Association of California

925 L Street, Suite 350, Sacramento, CA 95814 (916) 443-1749

Frank J. Mecca, Executive Director

Washington, DC Office
Tom Joseph
Waterman & Associates
900 Second Street NE
Washington, DC 20002
(202) 898-1444
tj@wafed.com

To: County Welfare Directors Association of California

From: Tom Joseph, Director, CWDA Washington, D.C. Office

Date: September 11, 2012

Re: Federal Update

The House and Senate returned this week and may recess for the November elections as early as September 21.

The Federal Budget and Sequestration

FY 2013 Spending Bills: The House is expected to vote later this week on a six-month extension of funding for all federal programs (H. J. Res. 117). The measure does not have any significant policy riders, meaning that it is likely to move quickly in the House. The stopgap bill funds programs at their current federal fiscal year (FFY) 2012 levels through March 27, 2013. The measure reflects a bipartisan agreement to bundle all appropriations measures into one and leave any decisions to modify program spending to the 113th Congress.

The Senate is expected to follow suit, and there is speculation that it will recess as early as next week, given that there are four Democratic senators who are in very tight re-election campaigns. Those races and a few others may determine which party controls the Senate next year.

Sequestration: The Office of Management and Budget (OMB) is expected to issue its sequester report by week's end. Under the Sequestration Transparency Act, (H.R. 5872; P.L. 112- 155), OMB must delineate the exact percentage and dollar amount of the reduction for each domestic and defense program subject to a possible across-the-board cut. The sequester will occur on January 2, 2013 if Congress and the administration fail to agree upon an alternative deficit reduction package. Estimates of the percentage cut range between seven to nine percent.

The OMB report must also clarify which programs are exempt from sequestration. A number of exempt programs were identified in the Budget Control Act, including Medicaid, IV-E, TANF, SSI and SNAP. Given differing budgetary treatment of the child support enforcement program in previous budget laws, OMB's report is expected to make clear whether that program is subject to the cuts.

Democrats and Republicans alike oppose the across-the-board cut, but serious discussions on crafting alternatives to avoid them will not occur until after the November elections.

TANF

The short-term FY 2013 spending bill discussed above includes a 'clean' six-month extension of the Temporary Assistance for Needy Families (TANF) program.

House and Senate Republicans, however, are expected to try to advance companion bills (H.R. 6140; S. 3397) on a separate track to block the implementation of the administration's July announcement that states were eligible to apply for waivers that would demonstrate alternative strategies to meet TANF work requirements. Despite evidence to the contrary, the HHS announcement has been described repeatedly by Republicans as a policy that would no longer require welfare recipient to engage in work or work-related activities.

Republicans last week also highlighted the Government Accountability Office (GAO) ruling that the administration was required to formally notify Congress of its waiver announcement. GAO found that the announcement amounted to a 'rule' for purposes of the Congressional Review Act, which gives Congress 60 days to act to disapprove the administration's policy. The president, however, can veto such a resolution if indeed such a bill makes it to his desk.

Given the highly-charged political nature of the issue and the very small legislative window available for the Senate to act on such a bill, it is likely that the issue will remain as political fodder during the campaign.

Farm Bill/ SNAP

There is no clear legislative path to adopting a farm bill before the end of the month. The Supplemental Nutrition Assistance Program (SNAP) and other nutrition programs, however, will not expire, given their entitlement status. The expected adoption of the short-term funding bill also allows funding for those programs to continue.

It is unclear at this stage how Congress extend the many other farm bill issues before the end of September.