

MEMORANDUM

TO: Bob Beal, Executive Director, ASMFC

FROM: Blank Rome Government Relations

DATE: October 22, 2013

RE: Federal Issues Status Report

Below please find a status report on various Federal budget and policy issues that Blank Rome has been working on in conjunction with the Atlantic States Marine Fisheries Commission (ASMFC), including an update on the Continuing Resolution, Fiscal Year 2014 (FY14) spending bills, the Magnuson-Stevens Reauthorization bill, and various other issues.

Government Shutdown and Continuing Resolution

After over two weeks of debate and negotiations during which the federal government was shut down, and just one day before the Treasury would have exhausted its borrowing authority, on October 16, 2013, Congress passed a deal that includes a short term Continuing Resolution (CR) and temporarily extends the debt ceiling. The CR passed the Senate by a vote of 81-18, and the House by a vote of 285-144.

The bill funds the government at the current, \$987 billion level, and all agencies should see their funding levels remain consistent with the previous CR. All furloughed federal employees have returned to work, and the government has resumed functioning normally.

The deal consists of the following major provisions:

- Funds the government through January 15, 2014;
- Extends the debt ceiling until February 7, 2014;
- Requires a budget conference committee of House and Senate members to negotiate a broader fiscal deal and report back by December 13;
- Allows the Treasury Department to use õextraordinary measuresö to pay the nationøs bills in the event that the debt ceiling is not raised early next year;
- Provides back pay to furloughed federal employees; and
- Requires the Department of Health and Human Services to verify the income of those receiving health insurance subsidies under the Affordable Care Act (ACA).

In the end, Sen. Ted Cruz (R-TX), who led efforts to attach a repeal of the Affordable Care Act

to the budget, voted against the CR, but did not attempt to block the legislation from coming to a vote. After weeks of trying to placate his right flank, House Speaker John Boehner violated the so-called Hastert Rule and passed the CR with a minority of Republicans voting in favor of the package.

With the government reopened, both sides will begin working on a broader õgrand bargain,ö but it is too soon to tell what kind of compromise may be possible in this political climate.

FY14 Appropriations

The House and Senate both managed to make progress on many of their individual FY14 appropriations bills before the August recess hit and then the subsequent battle over the CR and debt ceiling. With regard to the Commerce, Justice, Science (CJS) Appropriations bill, which funds the National Oceanic and Atmospheric Administration (NOAA), the House and Senate full Appropriations Subcommittees have both passed their respective FY14 bills, however neither bill has moved past the committee level at this point. We were pleased to see that both bills provide good funding levels for ASMFC top priority line items, including the õCouncils and Commissionsö line item and the õInterjurisdictional Fisheries Actö line item as part of the funding provided to National Marine Fisheries. Below please find a breakdown of how these programs are funded in the FY14 draft bills as compared to FY12 and FY13 funding levels.

It is unclear at this point if any of the full year FY14 bills will ultimately be passed as part of an omnibus spending bill, but much depends on whether or not a grand bargain can be reached on revenues and entitlements. The most likely scenario is that another CR is passed in January that would last through the rest of FY14, with potentially one or two regular FY14 spending bills (such as the Defense bill) attached.

	FY12 Congressional Appropriated Levels	FY13 Congressional Appropriated Levels	FY14 House Spending Bill (HR 2787)	FY14 Senate Spending Bill (S. 1329)
IJFA	\$1.157 million	\$2 million	\$2 million	\$2.5 million
Councils & Commissions	\$31.9 million	\$31.5 million	\$32 million	\$32 million

Magnuson Stevens Act Reauthorization

The House and Senate continue to move forward towards a Magnuson Stevens Act (MSA) Reauthorization bill. Both chambers have held a series of informational hearings over the course of this year at which a variety of government (NOAA/NMFS), industry, fisheries council and

commission representative have testified, including ASMFC. In terms of the schedule, a final bill will not likely be completed for until next year at the earliest. But the House Natural Resources Committee expects to have an initial draft prepared sometime in late October to early November. It is unknown at this time how soon the Senate may introduce a bill. Blank Rome has been working in conjunction with ASMFC to monitor all progress and developments, as well as to ensure that the Commission viewpoints are heard by staff and submitted for the record.

Tri-Commission Efforts

ASMFC has continued to work with the Pacific and Gulf Coast Fisheries Commissions on Federal budget and policy issues of common interest. Most recently the three commissions have coordinated on FY14 and FY15 budget issues, including continuing the dialogue with NOAA about next years budget request. ASMFC and the other two commissions intend to continue to work together and coordinate messages both with NOAA and on the Hill.

Other Issues

Most recently, Blank Rome has worked in conjunction with ASMFC on additional issues which include helping to schedule and support meetings with some members of the New England delegation regarding spiny dogfish issues.

We continue to make progress on our list of Hill offices to õtouchö, including a few good meetings recently with House CJS Appropriations Committee staff, House Natural Resources Committee staff, as well as with more of ASMFCøs state delegation members.