

# Memorandum



CITY OF DALLAS

DATE January 30, 2009

TO Members of the City Council Legislative Ad Hoc Committee: Vonciel Jones Hill, Dr. Elba Garcia, Linda Koop, Pauline Medrano, Ron Natinsky, Dave Neumann, Mitchell Rasansky, and Steve Salazar

SUBJECT Discussion of the City's Federal Legislative Program for the 111<sup>th</sup> Congress

On Monday, February 2, 2009, you will be briefed on the City's Federal Legislative program for the 111<sup>th</sup> Congress. Attached are the briefing materials for you to review prior to Monday's discussion.

Please contact me if you have any questions.

A handwritten signature in black ink, appearing to read 'Mary K. Suhm'.

Mary K. Suhm  
City Manager

# City of Dallas



## Legislative Program for the 111<sup>th</sup> Congress

# CITY OF DALLAS

## Mayor and City Council 2007-2009

Tom Leppert  
Mayor



Vonciel Jones Hill  
Chair, Legislative Committee  
Council District 5



Dr. Elba Garcia  
Mayor Pro Tem  
Council District 1



Dwayne Caraway  
Deputy Mayor Pro Tem  
Council District 4



Pauline Medrano  
Council District 2



David A. Neumann  
Council District 3



Steve Salazar  
Council District 6



Carolyn Davis  
Council District 7



Tennell Atkins  
Council District 8



Sheffie Kadane  
Council District 9



Jerry Allen  
Council District 10



Linda Koop  
Council District 11



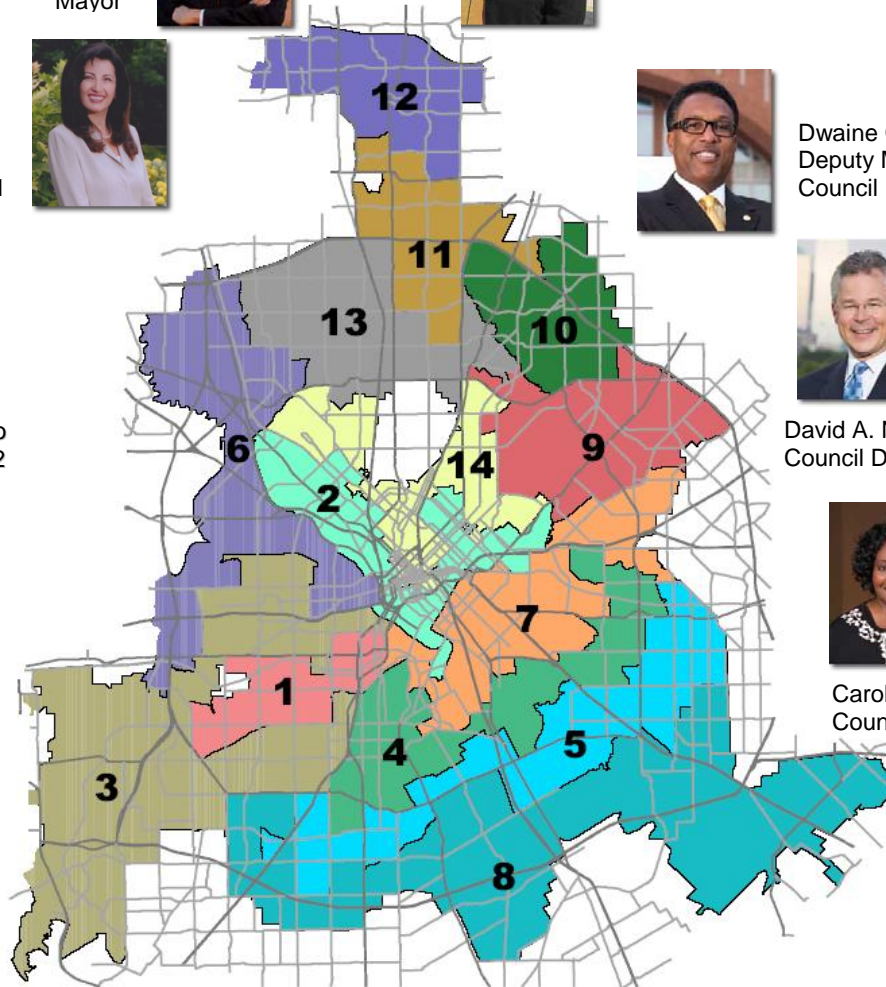
Ron Natinsky  
Council District 12



Mitchell Rasansky  
Council District 13



Angela Hunt  
Council District 14



# Table of Contents

City of Dallas Mayor and City Council----- ii  
City Manager, City Attorney, and Intergovernmental Services Staff-----iii  
Dallas City Council Resolution Adopting Federal Legislative Program----- iv  
General Statement of City Legislative Focus-----1

## Specific Legislative Policies

### Trinity Corridor Project

▪ Trinity River Corridor ----- 2

### Economic Development

▪ Affordable Housing----- 3  
▪ Brownfields----- 4  
▪ CDBG, HOME, HOPWA, and Homeless Assistance Grants----- 5  
▪ Highway and Transit Programs-----6  
▪ Historic Preservation-----9  
▪ International Inland Port of Dallas----- 10  
▪ Intercity Passenger Rail----- 12  
▪ Metro Economies----- 13  
▪ Municipal Finance-----14  
▪ Preservation of Local Land Use Authority and Eminent Domain for Public  
Purposes----- 15  
▪ Travel and Tourism----- 16

### Finance

▪ Collection of Sales Tax from Remote Retailers----- 17  
▪ Aviation----- 18  
▪ Social Security & Health Care----- 20  
▪ Telecommunications----- 21  
▪ Vendor Tax Withholding-----23

### Quality of Life

▪ Education & After School Care----- 24  
▪ Clean Air, Climate Change & Energy Security----- 25  
▪ Endangered Species Act----- 27  
▪ Prisoner Re-Entry----- 28  
▪ Water and Wastewater Infrastructure -----30  
▪ Water Reuse----- 31

### Public Safety and Homeland Security

▪ Public Safety and Homeland Security----- 32

**City Hall, Room 5EN  
Dallas, TX 75201**

Tom Leppert  
Mayor  
214.670.4054

Dr. Elba Garcia  
Mayor Pro Tem  
Council District 1  
214.670.4052

Dwaine Caraway  
Deputy Mayor Pro Tem  
Council District 4  
214.670.0781

**City Hall, Room 5FN  
Dallas, TX 75201**

Vonciel Jones Hill  
Chair, Legislative Committee  
Council District 5  
214.670.0777

Pauline Medrano  
Council District 2  
214.670.4048

Linda Koop  
Council District 11  
214.670.7817

Ron Natinsky  
Council District 12  
214.670.4067

Mitchell Rasansky  
Council District 13  
214.670.3816

Angela Hunt  
Council District 14  
214.670.5415

**City Hall, Room 5FS  
Dallas, TX 75201**

David A. Neumann  
Council District 3  
214.670.0776

Steve Salazar  
Council District 6  
214.670.4199

Carolyn R. Davis  
Council District 7  
214.670.4689

Tennell Atkins  
Council District 8  
214.670.4066

Sheffie Kadane  
Council District 9  
214.670.4069

Jerry R. Allen  
Council District 10  
214.670.4068

**City of Dallas**

**City Manager, City Attorney and  
Intergovernmental Services Staff**

Mary K. Suhm  
City Manager  
Room 4EN  
214.670.3296

Jill Jordan, P.E  
Assistant City Manager  
Room 4DN  
214.670.5299

Ryan S. Evans  
First Assistant City Manager  
Room 4CN  
214.670.3296

A.C. Gonzales  
Assistant City Manager  
Room 4CN  
214.670.3314

Ramon F. Miguez, P.E  
Assistant City Manager  
Room 4DN  
214.670.3308

Forest Turner  
Interim Assistant City Manager  
Room 4CN  
214.670.3296

Tom Perkins  
City Attorney  
Room 7CN  
214.670.3491

Larry Casto  
Assistant City Attorney  
Room 7DN  
512.439.0599

Brett Wilkinson  
Director  
Intergovernmental Services  
214.670.5797

Anna Lamberti Holmes  
Manager  
Intergovernmental Services  
214.670.5099

February 11, 2009

**WHEREAS**, the 111th Congress convened in January 2009; and

**WHEREAS**, the 111th Congress will consider many issues that affect local governments; and

**WHEREAS**, the City of Dallas wishes to express its desires and concerns regarding federal issues by adopting an agenda; and

**WHEREAS**, the City of Dallas has developed recommendations for the federal legislative agenda;

**NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS;**

**SECTION 1.** That the 2009 City's Federal Legislative Agenda for the 111th Congress is adopted.

**SECTION 2.** That the City Manager is directed to communicate the items included in the federal legislative agenda to members of the U.S. Congress.

**SECTION 3.** That the City Manager is directed to support legislation that upholds City of Dallas' home-rule authority, as well as oppose legislation that diminishes home rule authority.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas and it is accordingly so resolved.

## General Statement of City Legislative Focus

---

The City of Dallas prioritizes its legislative efforts on legislation that the City can influence and that will directly and positively impact the City of Dallas. The City of Dallas opposes any federal legislative action that would erode the home rule authority of municipalities or establish unfunded mandates that effectively constrain the ability of cities to allocate scarce resources to locally determined priorities. In particular, the City of Dallas supports legislation that:

1. Creates more opportunities for individuals and businesses to thrive and prosper;
2. Provides an equitable distribution of federal funds; and
3. Addresses the concerns and issues confronting large metropolitan cities with attention to inner city concerns, which range from the enhancement of urban transportation to reduction in crime, the availability of affordable housing and the development of neighborhoods that support quality family life.

### Federal Mandates

The City of Dallas recognizes two basic types of federal mandates: those that impose costs directly on the City and those that, while not directly imposing costs on the City, intrude on the autonomy of the City by interfering with local decision making authority and impacting the allocation of scarce local resources. As a general principle, the City of Dallas opposes the imposition of either type of federal mandate.

The federal government calls on municipal governments, including the City of Dallas, to administer numerous federal government programs, requiring municipal governments to absorb all or most of the cost. In the interest of fairness and equity to its municipal government partners, the federal government should provide adequate funding for the local conduct of each of its programs.



### Background

The Trinity River Corridor presents the City of Dallas with a unique opportunity, as well as a great challenge, to redefine the City. For years, the Trinity River has divided our community, separating northern and southern Dallas.

After an extensive public participation process, the citizens of Dallas developed a vision of what the Corridor could become, culminating in the Trinity River Corridor Project. In 1998, the people of Dallas expressed support for the Project by approving \$246 million in bonds to fund the local share of the Project. Since then, the City has worked with the US Army Corps of Engineers to implement a strategy for protecting residents and businesses that would be impacted by flooding along the Trinity River. While flood protection remains the primary goal of the project, there are four additional interrelated project components including recreation, environmental management, transportation, and community and economic development. In 2004, the City Council of Dallas updated and approved the Balanced Vision Plan for the Trinity River, which provides a comprehensive long-term guide for the future of the Trinity. In 2006 city voters approved bonds for \$334 million for additional elements including substantial funding for interior drainage.

The Trinity River Project is the largest public works project ever undertaken by the City, and while it is a long term effort, progress is being made. The Dallas Floodway Extension Project is well underway but continues to require support from the federal government. Additionally, the lynchpin of the overall project, the Dallas Floodway/Trinity Lakes Project, is ready for authorization. The City is currently constructing the Margaret Hunt Hill suspension bridge and will break ground soon on the I-30 suspension bridge.

To date, Congress has recognized the importance of the Trinity to Dallas through a federal investment of over \$165 million. The 110<sup>th</sup> Congress enacted the Water Resources Development Act of 2007 (PL 110-114), which authorizes \$161 million for the Dallas Floodway Extension. The Trinity Project has now moved into the construction phase, and substantial activity all along the corridor is well underway.

### Position

The City of Dallas requests the following federal assistance to help make the Trinity River Corridor Project a reality:

- Funding from Energy and Water Appropriations for the Corps of Engineers to continue work on the construction of the Dallas Floodway Extension Project; and
- Funding from Energy and Water Appropriations for the Corps of Engineers' Dallas Floodway Project.

### Impact

This major infrastructure project will enhance public safety, improve transportation infrastructure (including bridges), increase recreational opportunities, promote conservation and spur economic development, making the Trinity River Corridor a truly remarkable public asset.

### Background

The issue of affordable housing has received limited attention from national leaders despite overwhelming evidence that our nation faces a severe shortage of affordable housing. The City has reviewed the issue at the local level, and has developed a set of recommendations that support a range of activities including land accumulation for larger housing projects, vigorous code enforcement, and making full use of federal programs that facilitate public-private partnerships and assist with leveraging additional funds. The cost of the Section 8 Program, the primary federal affordable housing program, has increased dramatically over the past 15 years and now consumes nearly half of the Department of Housing & Urban Development's budget and threatens funding for other housing and community development programs.

The 110<sup>th</sup> Congress enacted legislation to create an Affordable Housing Trust Fund. If fully funded, the Trust Fund could provide more than \$26 billion over the next seven years for the production of new and the preservation of existing affordable housing. The Affordable Housing Trust Fund was created by the Housing & Economic Recovery Act (PL 110-289), which Congress enacted in an effort to address the mortgage and housing crisis that overtook the nation in 2008. While the crisis has not affected the Dallas-Fort Worth Metropolitan Area as severely as it has other parts of the nation, it has impacted several Dallas neighborhoods where foreclosures are concentrated and the problem will likely grow in 2009. In neighborhoods with foreclosure concentrations, the mortgage crisis threatens to undo decades of community and economic development efforts. PL 110-289 included funds for the Neighborhood Stabilization Program, which is designed to help cities and states mitigate the effects of foreclosure on neighborhoods. However, beyond additional funds for housing counseling, PL 110-289 did not include funding for foreclosure prevention.

### Position

The City of Dallas supports legislation that provides additional federal funds and tax incentives to assist the City with the creation of affordable housing and supports full funding of the Affordable Housing Trust Fund. The City of Dallas also supports increased flexibility in existing federal programs and tax policies designed to encourage the production of more affordable housing units and the transfer of properties to qualified nonprofit organizations to develop affordable housing. Though the City of Dallas appreciates the need to control the costs of the Section 8 Program and to ensure that it does not affect community development and housing programs (CDBG, HOME, HOPWA) that are also important to the City, the City opposes any changes to the Section 8 Program that reduce the number of families served or reduce local control over the program.

The City of Dallas calls on Congress to authorize and fully fund programs to prevent foreclosure and to mitigate its effects on City neighborhoods and community and economic development efforts.

### Impact

Increased federal assistance will help spur the development of affordable housing, reducing waiting lists for affordable housing units, and will complement the City's community development efforts.

Background

Brownfields are abandoned or under-used industrial and commercial facilities or properties where redevelopment is complicated by real or perceived environmental contamination. The Small Business Liability Relief and Brownfields Revitalization Act authorized \$200 million a year for brownfield assessment and remediation grants operated by the Environmental Protection Agency (EPA) and provides liability relief for prospective purchasers of brownfield sites who are not responsible for any contamination, but current funding is well below this amount. The City of Dallas has used these programs to redevelop several sites and has been designated by EPA as one of its Brownfield Showcase Communities in recognition of the City's success in redeveloping brownfields.

The Tax Relief and Health Care Act of 2006 (PL 109-432) included an extension and expansion of the Brownfields Tax Incentive. The incentive, which was renewed last year, expires December 31, 2009. The Brownfields Tax Incentive allows environmental cleanup costs to be deducted in the year incurred, rather than capitalized over time.

Position

The City of Dallas supports full funding of federal Brownfields grant programs and supports Congressional efforts to make Brownfields programs more flexible. In addition, the City supports continuation of the Brownfields Tax Incentive.

Impact

The City of Dallas enjoys a strong national reputation for its innovative projects that have redeveloped several formerly abandoned sites. The Small Business Liability Relief and Brownfields Revitalization Act and the programs it authorizes will put property in the City of Dallas on a more level playing field with raw undeveloped properties in the suburbs, encouraging economic development and neighborhood revitalization. Adequate federal support for Brownfields redevelopment is crucial to the City's economic development efforts.

## CDBG, HOME, HOPWA & HOMELESS ASSISTANCE GRANTS

---

### Background

For many years, municipal governments have relied on the Community Development Block Grant (CDBG) program to address the needs of low and moderate income individuals in city neighborhoods. The HOME, Housing Opportunities for Persons with AIDS (HOPWA), and Homeless Assistance programs provide additional assistance to targeted low and moderate income individuals. These programs are particularly important to large urban areas where a disproportionate number of these individuals reside.

The City of Dallas currently receives (FY 2008) approximately \$19 million from CDBG, \$8 million from HOME, \$3 million from HOPWA, and \$1.6 million in Homeless Assistance grants. Despite the great success these flexible, locally controlled programs have enjoyed, they have been inadequately funded for many years; for example, CDBG funding has declined 19 percent since its peak in FY 2001.

These programs, CDBG in particular, allow the City to take quick action to build infrastructure, support small business, and support affordable housing and housing rehabilitation efforts in low- and moderate-income neighborhoods. CDBG has a long track record of providing quick, flexible, and effective assistance to cities and states.

### Position

The City of Dallas calls on Congress to increase funding for CDBG and maintain current service levels of funding for HOME, HOPWA and Homeless Assistance Grants. The City opposes any effort to limit City flexibility in using these funds. The City also strongly opposes any effort to shift control of these programs away from the local level.

### Impact

These programs help the City of Dallas meet critical needs and support neighborhood revitalization using locally devised and implemented solutions and programs. Such federal funds are especially critical to a large city like Dallas that seeks to expand economic opportunities and sustain its neighborhoods. The City of Dallas would be hard pressed to meet these needs without direct and flexible federal assistance.

### Background

In 2009, the 111<sup>th</sup> Congress will begin reauthorization of the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users Act of 2005 (SAFETEA-LU), which expires at the end of FY 2009.

Building on its groundbreaking predecessors, the Intermodal Surface Transportation Efficiency Act (ISTEA) and the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21), SAFETEA-LU, to a certain extent:

- Provides for a more equitable distribution of federal highway and transit funds among the states;
- Guarantees that the Highway Trust Fund is spent on highways and transit;
- Empowers local elected officials and communities;
- Spurs strong regional planning and cooperation via a strong metropolitan planning process and the allocation of funds directly to metropolitan areas;
- Increases transportation choices and supports urban revitalization by making serious investments in transit; and
- Addresses the relationship between the environment through the Congestion Mitigation and Air Quality and Transportation Enhancements Programs and increases highway and transit safety through innovative new programs.

The transformation of federal transportation wrought by SAFETEA-LU and its predecessors has had a major impact on the City of Dallas, giving local officials direct authority over a portion of federal surface transportation funds, encouraging regional cooperation and helping spur the creation of the Dallas Area Rapid Transit and the construction of a regional light rail system. Building on these past efforts, Dallas leaders and their regional counterparts have recently joined together to promote the development of a metropolitan area-wide web of passenger rail lines, Rail North Texas.

However, there is widespread consensus that federal surface transportation programs face serious structural and financing problems:

- The primary source of funding for the Highway Trust Fund, the \$0.184 tax per gallon on gasoline, has not kept pace with the need for highway and transit investment. Indeed, increased fuel efficiency, decreased driving and the use of alternative fuels resulted in a Highway Trust Fund deficit in FY 2008 that required Congress to enact an emergency infusion of money from the General Fund;
- The faltering of the federal surface transportation financing system comes at a time when metropolitan areas face the challenges of aging infrastructure, increased demand, congestion and air pollution;
- International trade has significantly increased the volume of freight using our nation's ports, highways and railroads, adding to the transportation challenges for metropolitan areas and local elected officials;

- In recent years there have also been calls for a federal surface transportation policy that recognizes the links between transportation and environmental challenges, most notably climate change and air quality; and
- Many critics of federal highway programs also criticize their lack of accountability, pointing out that State Departments of Transportation face minimal or no reporting or tracking requirements for the \$40 billion a year distributed to them under the federal highway program.

The surface transportation challenges faced by metropolitan areas and the nation as a whole call for a rethinking of the federal surface transportation program. Congress recognized these problems five years ago and, to help it address them, SAFETEA-LU established the National Surface Transportation Policy and Revenue Commission, to investigate and study the future of the Highway Trust Fund and federal highway and transit programs, highway and transit needs, whether more revenues are needed, and what sources of revenue are available to bolster the Highway Trust Fund if needed. In 2008, the Commission issued a report that called for a streamlining of federal surface transportation programs, modal neutrality, an increase in the federal gasoline tax, development of new financing mechanisms and creation of a Metropolitan Mobility Program.

### Position

The City of Dallas supports legislation to reauthorize federal surface transportation programs that:

- Provides for an equitable distribution of highway and transit funds that ensures that Texas receives its fair share of federal highway and transit funds;
- Maintains a guaranteed funding mechanism similar to that in SAFETEA-LU that ensures that all Highway Trust Fund revenues are spent on highway and transit programs;
- Maintains a strong metropolitan planning process that gives decision making power to local elected officials and communities;
- Continues and builds on the strong federal investment in transit of the past decade and enables complete local flexibility regarding transit (including rail transit) and highway choices;
- Directly addresses urban congestion and mobility;
- Suballocates Surface Transportation Program funds to metropolitan areas and expands mode neutral choices and funding for metropolitan areas;
- Expands suballocation via creation of a new program focused on metropolitan areas or through suballocation to metropolitan areas of other programs, including the CMAQ, National Highway System and Bridge Programs;
- Maintains the Transportation Enhancements, Safety, and Safe Routes to School programs;
- Fully funds the CMAQ program in order to help metropolitan areas meet federal clean air mandates;
- Maintains, or changes in transit's favor, the traditional 80/20 division of Highway Trust Fund spending between highway and transit programs;
- Does not increase the required local share (currently 20 percent) of funding for highway or transit projects; and
- Further empowers local elected officials and communities by requiring full state disclosure of how federal transportation funds are spent.

In general, the City of Dallas urges Congress and the Administration to study and give equal consideration to all potential surface transportation financing mechanisms to ensure adequate funding for federal highway and transit programs.

### Impact

ISTEA, TEA-21 and SAFETEA-LU allowed for historic federal investments in highways and transit and reshaped transportation policy to empower local elected officials and encourage strong regional planning and cooperation. Further empowering local officials and directing funding to metropolitan areas in a mode neutral manner is critical to efforts to improve mobility in the City of Dallas and throughout the Metropolitan Area. Establishment of a program focused on metropolitan areas or expansion of the suballocation of funds to other core programs beyond the Surface Transportation Program will strengthen local decision making and ensure that surface transportation funds are spent where they are most needed.

### Background

In the past, the Historic Homeownership Assistance Act has received broad bipartisan support in both the House and the Senate, including House passage as part of a major tax bill in the 106<sup>th</sup> Congress. In the 110<sup>th</sup> Congress, Representatives Russ Carnahan (D-MO) and Charles Rangel (D-NY) introduced the bipartisan Preserve Historic America Act (HR 610), which incorporates the Historic Homeownership Assistance Act.

The Historic Homeownership Assistance Act would have provided a credit of 20 percent for the qualified rehabilitation expenditures of the owner of a primary residence against the owner's federal income tax. The credit would be capped at \$40,000. Five percent of rehabilitation would have to be on the home's exterior; the cost of purchasing or enlarging a house would not be eligible for the credit. Both the owner of single and multifamily homes would be eligible for the tax credit. Taxpayers without a sufficient federal tax liability to use the tax credit could opt for a mortgage credit certificate that would lower their mortgage interest. The tax credit could be transferred to new owners if the home is sold within five years of first claiming the credit. Eligible properties would include homes in districts listed on the National Register of Historic Places, and in districts designated as state or local historic areas. Rehabilitation standards would generally be the same as existing federal historic rehabilitation standards and work would have to be certified by a state or local historic preservation office. Relaxed rehabilitation standards would be allowed in distressed communities (Empowerment Zones, Enterprise Communities and census tracts where over 70 percent of households have incomes at or below 80 percent of the state average) when necessary to save a home or building or if the condition of the community warrants a relaxation.

HR 610 would have also increased the traditional Historic Preservation Tax Credit for commercial properties from 20 to 25 percent of rehabilitation costs, would update it to allow the credit to be claimed for buildings that are more than 50 years old, and would make it easier to use in conjunction with the Low-Income Housing Tax Credit.

### Position

The City of Dallas supports these and other related legislative efforts to use tax credits to foster the re-development of historic residential and commercial property.

### Impact

The Historic Homeownership Assistance Act would help stabilize and revitalize older City neighborhoods by boosting homeownership, encouraging the revitalization of historic neighborhoods and making homes in older City neighborhoods financially competitive with newer homes in suburban communities. Expansion and updating of the Historic Preservation Tax Credit would help rehabilitate historic commercial buildings and their surrounding neighborhoods.



## INTERNATIONAL INLAND PORT OF DALLAS

---

### Background

The City of Dallas is committed to economic development in Southern Dallas and to bolstering Dallas's position as an international trade hub. The International Inland Port of Dallas (IIPOD) is a key part of the City's strategy to meet these goals. In addition, inland ports such as IIPOD are vital to helping our nation address port, rail and highway congestion and to ensuring that our nation's infrastructure has the capacity to handle trade.

A joint project between of City of Dallas, Dallas County, and the cities of Balch Spring, Cedar Hill, DeSoto, Hutchins, Lancaster, Mesquite, and Seagoville, IIPOD will leverage the region's location along the NAFTA corridor and at the junction of key rail trans-shipment facilities to bring warehousing, distribution and other facilities related to the handling and distribution of goods to Southern Dallas. The increased intermodal traffic related to IIPOD will create jobs in Southern Dallas, where the unemployment and underemployment rates are significantly higher than the metropolitan area as a whole. In addition, IIPOD can help address the chronic congestion faced by the Port of Houston and on the rail and highway corridors that serve it.

Fully developing IIPOD will require that federal programs recognize the value of inland ports and will require a broad range of federal assistance, ranging from infrastructure investment to job training programs. For example, IIPOD will create well paying jobs with wages between \$9 and \$14 per hour plus benefits. However, according to the *Journal of Commerce*, a lack of qualified workers is a primary concern in inland distribution regions such as Dallas. To address this challenge, the City of Dallas, in a partnership with University of North Texas-Dallas, Cedar Valley Community College, and NCTCOG is creating a workforce training program to train workers for jobs that will be coming available in the near future.

The Water Resources Development Act of 2007 included a \$40 million in federal assistance to help develop the IIPOD and the City has begun partnering with the US Army Corps of Engineers and neighboring cities to take advantage of this authorization.

### Position

The City of Dallas urges Congress and the Administration to implement programs that fully recognize the importance of intermodal freight facilities to the nation's economy and fully recognize their potential to help address port, rail, and highway congestion.

The City of Dallas further urges Congress and the Administration to ensure that federal programs, including security, infrastructure, customs, and job training programs, recognize the importance of inland ports such as IIPOD.

The City of Dallas further urges Congress to fully fund programs that provide assistance to inland ports and urges Congress and the Administration to address the needs of inland ports when crafting or implementing new infrastructure, security, customs, and job training programs.

### Impact

IPOD will spur economic development in Southern Dallas, provide jobs to a part of the metropolitan area facing chronic unemployment and underemployment and help address port, highway and rail congestion. Federal assistance and federal programs that recognize the importance of inland ports will help the City of Dallas and its partners realize the full potential of IPOD.

### Background

The United States Department of Transportation has designated the South Central High-Speed Rail Corridor as one of ten national high-speed rail corridors. With its hub at Dallas Union Station, the South Central High-Speed Rail Corridor includes routes to San Antonio, Little Rock and Oklahoma City. The designation of the South Central High-Speed Rail Corridor comes on the heels of record Amtrak ridership growth, including the *Texas Eagle* and the *Heartland Flyer*, which serve Dallas. Senator Kay Bailey Hutchison has been a leading supporter of passenger rail, cosponsoring a number of measures that would provide substantial federal support to solidify existing passenger rail service and develop high-speed rail corridors, with special emphasis given to the South Central High-Speed Rail Corridor in the vicinity of Dallas and Fort Worth.

The 110<sup>th</sup> Congress enacted landmark legislation that authorizes historic levels of funding for passenger rail development. The enactment of the Rail Safety and Passenger Rail Improvement Act comes at a time when Amtrak is experiencing record ridership but also deteriorating infrastructure and rolling stock. Full funding of Amtrak capital and operating grants and of passenger rail corridor development grants to the states is crucial to the development of a respectable regional and national passenger rail network. In addition, since most passenger trains outside of the Northeast Corridor operate on tracks owned by freight railroads, support for the freight rail industry is crucial to both improving our nation's freight rail network and to improving intercity passenger rail.

### Position

The City of Dallas supports development of a robust national passenger rail system and full funding of passenger rail corridor improvement programs and of Amtrak operating and capital grants. The City also strongly supports all legislative and administrative efforts to develop the South Central High-Speed Rail Corridor.

### Impact

As an important part of a balanced national transportation system, passenger rail reduces highway and airport congestion, improves air quality and, because most trips are downtown to downtown, promotes economic development in central cities. Since the opening of DART light rail and the Trinity Railway Express, Dallas Union Station has grown into an important intermodal transportation hub that provides connections between intercity passenger rail, commuter rail, light rail and buses. The development of the South Central High-Speed Rail Corridor will build on this role, making downtown Dallas the hub of a large regional transportation system and bolstering downtown revitalization efforts.

### Background

Home to 84 percent of all Americans, metropolitan areas drive our national economy. Metropolitan areas host 85.9 percent of our nation's jobs, their citizens earn 90.1 percent of the nation's wage income, and they produce 89.9 percent of the nation's products and services<sup>1</sup>. Indeed, many metropolitan areas boast a Gross Metropolitan Product (GMP) that exceeds the Gross Domestic Product (GDP) of many developed nations. In 2007, the Dallas-Fort Worth-Arlington Metropolitan Area recorded a GMP of \$365 billion, just below the GDP of Austria and larger than the GDP of Greece, Denmark, Argentina, Ireland and Finland<sup>2</sup>.

Despite the centrality of metropolitan areas to the health and vitality of our nation and its people, federal policy often ignores metropolitan areas. Indeed, the United States is one of the few developed countries lacking a comprehensive policy to support the health of cities and their metropolitan areas. While some federal programs provide direct assistance to cities and metropolitan areas, they are often offset by other federal programs working at cross-purposes or by unfunded mandates that sap local resources. In addition, federal policy remains focused on states at the expense and indeed often at the exclusion of cities and metropolitan areas.

Even during the current economic downturn, metropolitan areas remain central to our nation's economy. Increased federal assistance and a comprehensive national strategy to foster the growth and health of our metropolitan areas will ensure that cities and metropolitan areas are able to make the investments needed for our nation to prosper.

### Position

The City of Dallas calls on Congress and the Administration to develop policies and programs that recognize and reflect the role that cities and metropolitan areas play in our national economy and support investments that help cities and metropolitan areas build the foundation for our nation to prosper.

### Impact

Federal policies and programs that recognize the central role that cities metropolitan areas play in the nation's economy will help Dallas and its regional neighbors develop the infrastructure, human capital, and other resources needed to prosper in the coming decades.

---

<sup>1</sup> US Metro Economies: Gross Metropolitan Product with Housing Update, United States Conference of Mayors, Global Insight Publishing, June 2008

<sup>2</sup> Ibid.

**Background**

The City of Dallas has plans to issue hundreds of millions in voter-approved bonds for capital improvement projects during the next two years. For decades the City has operated in a fiscally prudent manner assuring a high rating for its bonds. However, market turmoil and tighter credit threaten to increase the cost of building and maintaining the City's infrastructure. These pending projects span all aspects of infrastructure construction ranging from the transformative Trinity River Corridor Project, to the rehabilitation and modernization of libraries and fire stations, to building new roads and bridges, to the construction of a convention center hotel.

**Position**

The City of Dallas urges Congress and the Administration to take all reasonable steps necessary to ease municipal access to credit, stabilize the municipal bond market, and ensure that the City of Dallas can continue to finance improvements at a reasonable interest rate.

**Impact**

Implementation of policies that ease access to municipal credit and stabilize the municipal bond market will reduce the cost of financing City of Dallas capital projects.

## PRESERVATION OF LOCAL LAND USE AUTHORITY & EMINENT DOMAIN FOR PUBLIC PURPOSES

---

### Background

Over the past decade, Congress has regularly considered legislation that would give property owners expedited access to federal courts when filing a “takings” claim based on a land use decision against a local government. Under current federal law and jurisprudence, federal courts generally refrain from hearing such claims until local and state forums have been exhausted and generally defer to the decision of local and state forums in these cases (*Williamson County v. National Bank* and *San Remo Hotel v. City and County of San Francisco*). Passage of “takings” legislation would allow developers to circumvent local appeals mechanisms, bypass state courts and threaten local governments with an immediate and costly federal lawsuit to avoid unfavorable local land use decisions. “Takings” legislation represents an unnecessary federal intrusion into a historically local matter and is opposed by local governments, the federal judiciary, and US environmental organizations.

In the wake of the Supreme Court ruling in *Kelo v. City of New London*, Congress has acted to limit the use of eminent domain by local governments. Most notably, Congress has enacted restrictions on the use of Department of Housing and Urban Development and Department of Transportation funds on projects that involve the use of eminent domain. In addition, the House passed punitive legislation that would have withheld all federal funds from any local government using eminent domain to transfer property from a private owner to another private owner.

### Position

The City seeks to preserve local land use authority and opposes “takings” legislation or any similar effort by Congress to undermine or preempt local land use planning authority.

The City of Dallas opposes legislation that would limit its ability to use eminent domain for legitimate local government purposes, including but not limited to streets and highways, mass transit, utility rights-of-way, parks, public facilities, and for the clearance of blight as defined by Texas law.

### Impact

The passage of “takings” legislation would undermine the proper balance between federal and state authority. In addition, it would create two classes of property owners: those, mostly large developers, who can afford to threaten local governments with federal lawsuits, and those, mostly homeowners and small business owners, who cannot.

Legislation designed to protect small property holders from eminent domain abuse by local governments could have the effect of limiting its use for legitimate local government purposes, complicating many City projects and the delivery of basic local government services.

### Background

The City of Dallas is a major global city that attracts millions of visitors each year. Dallas-Fort Worth International Airport is among the busiest in the world, serving 59 million passengers a year and providing direct connections to 131 domestic and 36 international destinations. The Dallas-Fort Worth Metropolitan Area is home to 22 Fortune 500 companies, hosts hundreds of major conventions each year, and draws tourists from around the world for its world-class cultural offerings.

As the business and cultural hub of the nation's top exporting state and with plans for a major intermodal transportation hub to handle international freight traffic, the Dallas economy relies more than ever on international business and pleasure visitors. In addition, the arts have played a central role in the renaissance of downtown Dallas and are a cornerstone of the downtown Dallas economy.

### Position

Within the bounds of the need for increased security, the City of Dallas urges the federal government to maximize the efficiency of immigration and border controls and to implement the US Visit program in a way that allows for the free flow of people and goods.

The City of Dallas further encourages federal policies, including tax policies, which foster the arts and recognize the important role they play in tourism and central city economies. The City also calls for federal policy that recognizes the role that art education plays in fostering artists and audiences.

### Impact

As an international business and tourism hub, the Dallas economy relies on international trade and visitors and on public policies that support the arts and facilitate travel.

## COLLECTION OF SALES TAX FROM REMOTE RETAILERS

---

### Background

The United States Supreme Court has ruled that under the Interstate Commerce Clause of the Constitution, state and local governments cannot compel out-of-state retailers to collect sales taxes when making Internet, mail order, or other remote type sales without congressional consent, which has not been forthcoming.

Over the past years, the Streamlined Sales Tax Project (SSTP), a coalition of state and local governments working with the retail industry, has developed model state legislation that would simplify state and local sales taxes in order to make collections of sales taxes easier for out-of-state remote retailers. In general, the model legislation would create uniform definitions and common tax bases and would require simplified reporting and audit procedures while still allowing for local option taxes to be collected. The model legislation would apply to all retailers and would rely on regularly updated zip code information to determine the correct sales tax rate.

To date, 35 states and the District of Columbia, including Texas, have adopted the SSTP protocol and the SSTP hopes to gain congressional approval for the collection of state and local sales taxes from remote retailers in states that have implemented the model legislation.

### Position

The City of Dallas urges Congress to authorize states in which SSTP model legislation has been implemented to collect sales taxes from out-of-state remote retailers.

### Impact

Remote sales lead to significant revenue losses and create an unfair tax structure that hurts local retailers. This is especially problematic for cities such as Dallas that depend heavily on sales tax revenue. The growth of Internet commerce, coupled with recent declines in sales tax revenues, has exacerbated the problem over the past decade.



---

### Background

The 110<sup>th</sup> Congress failed to reauthorize federal aviation programs. The Century of Aviation Reauthorization Act (PL 108-176) expired at the end of FY 2007 and has been extended temporarily several times; the current extension expires in March 2009.

PL 108-176 erected a budgetary “firewall” around the Airport and Airways Trust Fund, requiring that programs funded by the Trust Fund be fully funded at their authorized level and that Trust Fund expenditures equal Trust Fund receipts. Several key airport infrastructure programs, including the Airport Improvement Program (AIP) and the Facilities and Equipment Program, receive their funding from the Trust Fund. PL 108-176 also increased the flexibility of AIP and of the use of Passenger Facility Charges (PFC), which airports are authorized to collect to finance infrastructure improvements. In general, PL 108-176 will have provided a record level of federal investment in airport and aviation infrastructure.

However, federal aviation programs are facing serious financial problems at a time when airports need billions of dollars for infrastructure costs. In recent years, the Administration has proposed transferring resources from infrastructure programs to cover the cost of Federal Aviation Administration (FAA) operations, which have increased substantially in recent years, a proposal opposed by the aviation industry and many in Congress. In addition, Congress faces the vexing challenge of financing the overhaul and modernization of the nation's air traffic control system.

In Dallas, implementation of the Wright Amendment Reform Act of 2006 (PL 109-352) requires millions of dollars in upgrades to Love Field. In addition, the upcoming opening of the DART Light Rail Green Line with a Love Field Station raises the need for a connection between Love Field Station on Denton Drive and the Love Field terminal building. In the 110<sup>th</sup> Congress, the House passed a reauthorization bill (HR 2881) that would have created a five-airport pilot program allowing the use of PFC funds for intermodal transportation airport access projects.

### Position

The City of Dallas supports legislation to reauthorize federal aviation programs that:

- Maintains a guaranteed funding mechanism similar to that in PL 108-176 that ensures that all Airports and Airways Trust Fund revenues are spent on aviation programs;
- Maximizes the flexibility of the Airport Improvement Program (AIP);
- Increases the rate ceiling for, and maximizes the flexibility of how airports use Passenger Facility Charge (PFC) revenue; and
- Provides local governments and airport authorities with the resources needed to provide for a safe and efficient aviation system.

## Impact

Dallas-Fort Worth International Airport and Dallas Love Field play a major role in the City's and region's economy. They are directly responsible for thousands of jobs and indirectly responsible for tens of thousands more and cement the City's and the region's position as an international business and financial hub. A strong federal aviation program will help ensure that these two airports have the resources to safely and efficiently meet traveler demand and to continue to serve as engines of the City and the regional economy.

Background

Social Security

The Social Security Act of 1935 excludes state and local employees from mandatory participation in Social Security. However, as Congress looks at short-term deficits and a long-term need to ensure the solvency of Social Security, mandatory state and local government participation in Social Security holds some appeal. The Federal Advisory Commission on Social Security has called for including all newly hired local government employees in Social Security. Doing so would impose a large burden on state and local governments and their taxpayers; adding state and local government employees to Social Security would cost Texas taxpayers several hundred million dollars each year.

Health Care

Like many employers in both the private and the public sectors, the City of Dallas faces rapidly increasing employee health care costs that pose a major threat to the City's budget. At the same time, 25% of Texans do not have health insurance. These uninsured citizens often do not receive preventive care and rely on emergency rooms for basic health care. These uninsured citizens place an unsustainable burden on health care resources.

Position

Social Security

The City of Dallas opposes mandatory inclusion of local government employees in Social Security.

Health Care

The City of Dallas urges Congress to consider all options to decrease employer health care costs and to ensure that all citizens receive health care. In addition, the City encourages efforts to be placed on preventative healthcare and prevention programs to lower the cost of health care treatment.

Impact

Social Security

Implementing a mandatory Social Security contribution would be burdensome on City taxpayers and adversely impact the City budget and services. The City currently participates in a citizen and state mandated pension plan for both its civilian and uniformed workers.

Health Care

Failure to address rising employer health care costs and the plight of the uninsured poses a threat to City employees in need of excellent health care and to City finances.

### Background

Franchising is the backbone of local government's role in the public rights-of-way. It creates a legal framework for local government's dual role as both regulatory manager of the public rights-of-way and as the owner/proprietor of public rights-of-way, who collects compensation for the use of public rights-of-way to fulfill its duty to its residents and taxpayers to obtain reasonable compensation for the private use of public property. Section 253 of the Telecommunications Act of 1996 (PL 104-104), a provision championed by the City of Dallas and its congressional delegation, specifically preserves the authority of state and local governments to manage public rights-of-way and to collect compensation for their use by telecommunications providers. New legislation and regulatory actions could affect this authority.

The 110<sup>th</sup> Congress considered a major overhaul of the Telecommunications Act of 1996 that threatened City right-of-way authority and City revenue. A major goal of the telecommunications industry in this legislation was the federal preemption of local control over public rights-of-way and the preemption of local fees collected from the industry for the use and management of public rights-of-way. In addition, in the closing days of 2008, the FCC issued a rule on cable franchising that poses these same threats. The industry has in the past also sought legislation or regulation that would preempt local zoning authority over the location of telecommunications antennae and towers.

In addition to these traditional threats to local authority and revenue, during the 111<sup>th</sup> Congress the telecommunications industry will continue lobbying Congress and the Administration for the preemption of most local government fees collected for the use and management of public rights-of-way. Their campaign will operate under the guise of the "simplification" of local taxes and the claim that the industry pays higher taxes to local governments than other industries. The major public interest groups have responded with a study that shows that when the payment of fees for the use and management of public rights-of-way (which are not taxes but rent for the use of public property) are excluded, the telecommunications industry is taxed at a lower rate than other industries.

Additionally, the 107<sup>th</sup> Congress enacted the Internet Tax Nondiscrimination Act, which prohibited state and local governments from levying multiple or discriminatory taxes on internet access and electronic commerce until 2014. The 111<sup>th</sup> Congress may consider legislation to extend the moratorium, possibly permanently, and to expand the moratorium to cover taxes that are currently grandfathered as well as traditional telecommunications taxes.

### Position

In general, the City of Dallas opposes any legislation or regulatory effort that would erode City authority to manage public rights-of-way and collect reasonable compensation for their use. The City also opposes any federal preemption of City zoning authority with regards to telecommunications facilities and urges the federal government to comply with local zoning and safety regulations when placing telecommunications facilities on its property.

The City recognizes that competition in telecommunications can yield more programming and applications, improved customer service, affordable rates for all, and technology deployment that meets the needs of its citizens going forward. To be effective, an orderly transition to a truly competitive communications marketplace must be responsive to the important interests of local government:

Local Authority – The City supports preserving local authority in determining the most effective and efficient use of local communications services; it is uniquely positioned to determine how to better protect its citizens with regard to maintenance of infrastructure, public safety, consumer protections, and management of rights-of-way.

Rights-of-Way – The City opposes federal intervention in its ability to manage and control the public rights-of-way and to collect compensation for their use in an equitable and nondiscriminatory manner. The public entrusts local governments to ensure that use of scarce public rights-of-way by communications providers does not interfere with public safety, unnecessarily disrupt commerce, impede general transportation uses, or otherwise impose costs on local governments or their taxpayers.

Fees and Revenues – The City opposes any federal preemption of its ability to collect revenue from telecommunications providers doing business in the City, particularly when that revenue is collected as reasonable compensation for the private, profit-making use of public rights-of-way owned and maintained by the City. Public rights-of-way have tremendous economic value, which local taxpayers have paid for, and the public has a right to expect that appropriate value is received for the use of property held and managed by the government as a public trust.

In 2005, the Texas Legislature passed a statewide franchising law which protects local government interests. The City of Dallas urges federal legislation to recognize and support statewide systems where they have been enacted.

The City opposes making the moratorium on Internet taxes permanent. The City further opposes an expansion of the moratorium on traditional telecommunications taxes to fees collected for the use and management of public rights-of-way, especially the line access fees collected by the City of Dallas and other Texas local governments.

### Impact

The City of Dallas would have to reduce services or raise taxes by more than \$100 million a year if revenue from rent charged to private corporations for the use of public rights-of-way were to be eliminated. In addition, City control of public rights-of-way and zoning for the placement of telecommunications facilities provides important public safety benefits, preserves City infrastructure investments and ensures that property values will not be impacted by incompatible uses.

An expansion of the moratorium on Internet access taxes would affect line access fees and sales taxes collected by the City from traditional telecommunications providers, resulting in revenue losses of over \$38 million a year. Making the moratorium on Internet taxes permanent does not reflect the reality that the Internet now supports established and highly profitable businesses that should pay their fair share of taxes. Exempting an entire sector of the economy from taxation places an undue burden on other taxpayers and disadvantages other businesses.

**Background**

In 2005, Congress passed and the President signed the Tax Increase Prevention and Reconciliation Act of 2005 (PL 109-222). Section 511 of that law requires that, beginning in 2011, all governments purchasing more than \$100 million a year of goods and services from for-profit entities withhold three percent of each payment for such goods and services. Section 511 was added to the Act in Conference Committee without hearings or debate in either the House or Senate.

Designed to address the failure of many federal contractors to make timely tax payments, this provision will place a huge unfunded mandate on local governments. The Government Finance Officers Association (GFOA) estimates that Section 511 will add as much as \$7 billion a year to local government costs as contractors increase prices to compensate for the new withholding requirement. Local governments are already required to assist the Internal Revenue Service (IRS) in its collection duties by reporting payments to corporations and individuals. In the 110<sup>th</sup> Congress, Representative Kendrick Meek (D-FL) and Senator Larry Craig (R-ID) introduced legislation (HR 1023/S 777) to repeal Section 511 of PL 109-122. In addition, the House Ways and Means Committee cleared and the House debated several proposals to delay the implementation of Section 511 by one or more years.

**Position**

The City of Dallas urges Congress to quickly and fully repeal Section 511 of PL 109-222. The City agrees that nonpayment of taxes by government contractors poses a problem and that such contractors have an especially strong obligation to pay their taxes in a timely manner. However, local governments, including the City of Dallas, already do their part by reporting all payments to corporations and individuals to the IRS. Congress should not address a simple IRS enforcement problem by placing a major new unfunded mandate on local governments.

**Impact**

Section 511 of PL 109-222 will place a major unfunded mandate on the City of Dallas and significantly increase the cost of providing basic services to its citizens.

### Background

A major issue for the 111<sup>th</sup> Congress will be the reauthorization of federal education programs. A strong public education system is crucial to the economic health and future of the City of Dallas and requires a strong federal investment in schools and children.

After school programs are a vital component of a strong educational system and play an important role in preventing youth crime and delinquency. The No Child Left Behind Act (PL 107-110) authorizes \$1.5 billion a year for the 21<sup>st</sup> Century Learning Centers Program. The 21<sup>st</sup> Century Learning Centers grant program seeks to provide expanded after school academic enrichment opportunities for children attending low performing schools. The program also provides youth development activities, drug and violence prevention programs, technology education programs, art, music and recreation programs, counseling, and character education to enhance the academic component of the program. This is a formula grant given to the states, which makes competitive awards to eligible local educational agencies, community-based organizations, and other public or private entities. It has not been fully funded to date.

### Position

The City of Dallas urges Congress and the Administration to provide schools with the resources they need and to reauthorize, expand and fully fund the 21<sup>st</sup> Century Learning Centers Program and to provide more resources for after school care.

### Impact

A strong public education system is crucial to the economic health and future of the City of Dallas. After school programs provide extended learning opportunities and positive interactions with caring adults in safe environments. After-school programs also improve the attendance rates and academic performance of participating children, as well as raise their self-esteem.

## CLEAN AIR, CLIMATE CHANGE & ENERGY SECURITY

---

### Background

Scientists have reached a broad consensus that human activity is a major contributor to global climate change, most notably due to accelerating greenhouse gas emissions from the consumption of fossil fuels. In addition, the United States economy is heavily dependent on the import of fossil fuels from foreign sources presenting energy and security challenges. Regionally, the Dallas-Fort Worth Metropolitan Area must meet air quality standards outlined by the Clean Air Act. Although the challenges associated with global climate change, energy security, and air quality are shared by nations and states alike, local governments are best suited to develop innovative solutions with immediate and substantive impact. All that is required are the dedicated resources to do so.

One strategy local governments throughout the United States have been pursuing to address the challenges created by climate change is to decrease fossil fuel consumption. For instance, the City of Dallas and the Dallas-Fort Worth Metropolitan Area have invested hundreds of millions of dollars in regional transit. Dallas has also been converting its municipal fleet to a mix of hybrid and alternative fueled vehicles, and is second among municipal governments in the purchase of renewable energy. Dallas also constructs municipal facilities to LEED standards and retrofits existing public buildings for energy efficiency.

As part of the Energy Independence & Security Act of 2007 (PL 110-140), the 110<sup>th</sup> Congress authorized the Energy Efficiency & Conservation Block Grant (EECBG) at \$2 billion a year through FY 2012. Modeled on CDBG, EECBG would provide direct, flexible assistance to cities for energy efficiency and conservation programs.

During the 110<sup>th</sup> Congress, the Senate debated legislation (S 3036) that would have established a cap and trade system to regulate and limit greenhouse gas emissions. S 3036 would have authorized the auction of emissions allowances, with the proceeds directed to a wide array of energy efficiency and conservation programs, including full funding of the EECBG, low-income energy assistance, and increased funding for transit.

### Position

The City of Dallas urges Congress and the Administration to avoid unfunded mandates as they seek to reduce greenhouse gas emissions and ensure that local governments have the resources to address the challenges posed by global climate change. Local governments are well suited to meet such challenges, but the broad scope and shared nationwide impact of climate change make direct federal assistance to local governments for energy conservation, alternative fuel, public education and other programs to reduce greenhouse gas emissions appropriate and necessary.

The City of Dallas encourages Congress and the Administration to pursue imaginative solutions and not rely solely on issuing mandates to address clean air, climate change and energy security. The City further urges Congress to fully fund any mandates it imposes on local governments to meet these challenges. Further, the City urges Congress to fully fund the EECBG as \$2 billion, retroactive to FY 2009.



### Impact

The City of Dallas must commit considerable resources to meeting clean air, climate protection, and energy security goals during a period in which the current economic downturn has significantly reduced its ability to generate local revenues. Direct federal assistance will help the City meet these goals and will help American cities develop innovative approaches, the best of which can be replicated nationwide.

### Background

Congress passed the Endangered Species Act (ESA) in 1973 to protect and recover imperiled species and the ecosystems upon which they depend. The ESA is administered by the Interior Department's U.S. Fish and Wildlife Service (FWS) and the Commerce Department's National Marine Fisheries Service (NMFS).

The Act requires Federal agencies to use their authority to conserve endangered species. It further directs Federal agencies to consult with the FWS or NMFS if any action they authorize, fund, or carry out "may affect" any species listed or proposed to be listed, or any critical habitat designated or proposed to be designated under the Act, whether the effect is beneficial or adverse. The Act also provides a mechanism for an "incidental taking" provided the "taking" will not jeopardize the continued existence of any listed species, or destroy or adversely modify critical habitat. For example, if the issuance of a Clean Water Act 404 (dredging) permit by the US Army Corps of Engineers may affect any listed species, the Corps must consult with the FWS on the effects of the issuance of that permit.

The law as administered and applied could be used as a means to preclude or impede water resource development. Several court cases have been filed to protect property owners and water rights holders' rights.

Legislation to modify the Endangered Species Act (ESA) will likely be introduced during the 111<sup>th</sup> Congress as it was in the last session of Congress.

### Position

The City of Dallas supports legislation to amend the Endangered Species Act to ensure:

- Existing water rights and State water right allocation processes are recognized under the ESA;
- The ESA is not used as the basis for the assertion of a federal reserved water right for critical habitat;
- ESA allows for preventive or emergency maintenance, repairs and safety modifications on existing water projects;
- Expanded public participation in the process which includes water agencies when appropriate;
- ESA decisions provide certainty and with no additional requirements added arbitrarily after a plan is approved; and
- Good science is used in the ESA decision-making process.

### Impact

Amendment of the ESA to incorporate these provisions will help to ensure Dallas' water rights and supplies remain intact in order to meet the current and long term water needs of its customers.

### Background

Over 600,000 people are released from prisons each year. Many suffer from a variety of serious difficulties as they attempt to reenter society. Among the most challenging situations they face is that of reentry into the labor market. Employment rates and earnings of ex-offenders are low by almost any standard. Low employment rates seem closely related to the very high recidivism rates observed among those released from prison. Difficult economic times exacerbate this situation.

In 2002, the Texas Department of Criminal Justice released 58,949 people from prisons and state jails across the State, nearly six times the number of prisoners released in 1980. Texas alone, with one of the largest prison populations in the country, accounts for almost 10 percent of all prisoners released from state and federal prisons nationwide each year. The mere number of prisoners released annually, along with a growing appreciation for the substantial challenges that ex-prisoners face as they reenter society, has brought prisoner re-entry—both in Texas and nationwide—to the forefront of the public agenda.

In Dallas County, 700 individuals per month are released into the area from the penal systems. These individuals face their own unique challenges and are further hampered by the inability to obtain employment, housing, as well as a lack of support systems and resources.

Because of these barriers, any rehabilitation efforts undertaken in the penal system are overwhelmed and result in increased recidivism. This results in a costly revolving door process for local governments as well as state and federal governments.

Recent findings from the Urban Institute on Employment and Reentry state the following:

- Finding and maintaining employment may reduce recidivism;
- While prisoners believe having a job is an important factor in staying out of prison, few have a job lined up after release;
- Despite the need for employment assistance, few prisoners receive employment-related training in prison;
- Participation in work release jobs in prison may have a positive impact on the likelihood of finding full-time employment after release;
- Case-managed reentry services may increase the likelihood of finding and maintaining employment after release from prison;
- Participation in outpatient substance abuse treatment is associated with full-time employment;
- Prisoners who do find work after release do not necessarily have full-time or consistent employment;
- Transportation is a significant barrier to employment;
- The majority of prisoners believe that having a stable place to live is important to successful reentry;
- The majority of returning prisoners live with family members and/or intimate partners upon release; and
- Many former prisoners return home to living arrangements that are only temporary.

- Housing options for returning prisoners who do not stay with family members or friends are extremely limited.
- Practitioners and researchers agree that there are few evidence-based reentry housing programs that target returning prisoners with mental illness.
- A majority of prisoners have extensive substance use histories.
- Prisoners identify drug use as the primary cause of many of their past and current problems.
- Despite high levels of drug use, relatively few prisoners receive drug treatment while incarcerated.
- Consensus in the field holds that individualized in-prison treatment in concert with community-based aftercare can reduce substance use and dependency.
- Participation in Alcoholics Anonymous and Narcotics Anonymous treatment after release is associated with reductions in substance use among offenders.
- Those with substance use histories and those who engage in substance use after release are at a high risk for recidivism.

### Position

The City of Dallas supports legislation that would provide:

- Expansion of education, training, and work experience during incarceration;
- Funding at both the state and local level to help former prisoners return successfully to society; and
- Aggressive evaluation agenda of school, employment, and other programs for young offenders.

### Impact

Programs that focus on education, job skills, substance abuse, and mental health issues should result in a marked reduction in the number of homeless ex-prisoners and former prisoners seeking public assistance as well as a reduction in the recidivism rate. Additionally, this should provide for a more viable workforce and stabilization of families.

## WATER & WASTEWATER INFRASTRUCTURE

---

### Background

The City of Dallas and other water and wastewater utility providers are mandated to meet stringent federal and state environmental requirements in order to provide safe drinking water and wastewater services to the public. Therefore, we must repair, replace, and rehabilitate aging and failing pipes and plants and build new infrastructure to comply with the increasingly complex regulations in order to protect public health and safeguard the environment. In addition, nationwide, billions of dollars are needed for new and expanded water supplies to ensure the water supply needs of a booming population are met in the future. Dallas Water Utilities has a projected \$1 billion+ capital improvement program over the next 5 years. This trend will continue as Dallas maintains and improves its water and wastewater infrastructure system and connects new water supply sources to meet the needs of the citizens of Dallas and other customers.

Utilities are significantly challenged by expensive federal mandates and by the cost of meeting new standards and security enhancements. However, local governments have not received sufficient federal financial assistance to assist with compliance with federal clean water and wastewater laws even though drinking water and clean water are national concerns.

Financing of water and wastewater infrastructure needs is a significant and urgent issue. Additional financial assistance tools such as federal grants and low interest loans are needed to ensure reliable water supplies and infrastructure to meet the needs of our economy, environment, and public health.

In the 110<sup>th</sup> Congress, the House passed legislation (HR 720) that would have considerably increased authorized funding for federal clean water grants and key House members have indicated that water and wastewater infrastructure funding will be a priority in the 111<sup>th</sup> Congress.

### Position

The City of Dallas supports legislation which provides grants for high priority projects such as separate sanitary sewer overflows and other wet weather projects, security-related projects, water supply transmission projects, repair and replacement of aging infrastructure, and water supply acquisition. Increased funding to local water and wastewater utilities for the improvement and maintenance of water and wastewater infrastructure and additional water supplies is of paramount importance. The City of Dallas also supports legislation which sustains and increases funding for, and increases the flexibility of, the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF).

### Impact

Increased federal assistance will help the City of Dallas continue to meet federal and state clean water and drinking water requirements and provide sufficient water supplies to meet the current and future needs of its customers. Increased federal assistance for infrastructure projects will create jobs and sustain economic development.

### Background

Water reuse is the use of surface water or groundwater that has already been beneficially used once. Water reuse involves taking municipal or domestic wastewater, treating it to a high degree to meet state and federal regulations, and then reusing the resulting water for beneficial purposes. Extensive wastewater treatment and disinfection ensure that public health and environmental quality are protected.

Water reuse is becoming increasingly accepted for a wide variety of direct applications, including landscape and agricultural irrigation, toilet and urinal flushing, industrial processing, power plant cooling, wetland habitat creation, restoration and maintenance, and groundwater recharge. Additionally, augmentation of potable water supplies through indirect applications of reuse water (i.e., blending reuse water with raw water in a reservoir) is playing an important role in meeting water supply demands in Texas. Water reuse is an important and sustainable water management strategy to help meet the growing demands being placed on available water supplies in Texas and across the nation.

The City of Dallas operates two wastewater treatment plants which have a combined wastewater treatment capacity of 260 million gallons per day and discharge into the Elm Fork of the Trinity River. Dallas has recently received water right permits from the Texas Commission on Environmental Quality which authorize Dallas to reuse water from Lake Ray Hubbard and Lake Lewisville.

Reuse is identified as one of Dallas' water management strategies to help meet future water supply needs in the 2005 Dallas Update to the Long Range Water Supply Plan, the 2006 Region C Water Plan, and the 2007 State Water Plan.

Major considerations that must be addressed to successfully maximize the use of reuse water include performing research needed to develop sound science and technology, providing funding support for implementation of the projects, and gaining public support.

### Position

The City of Dallas supports legislation which would increase federal funding for reuse research, reuse project development and implementation, and to address reuse utilization issues.

### Impact

Addressing these considerations would not only benefit Dallas but would facilitate the implementation of a sustainable and valuable water supply across the United States.

### Background

The City of Dallas benefits from several federal public safety assistance programs, including the Justice Assistance Grant (JAG), Community Oriented Policing Services (COPS) grant, the FEMA Assistance to Firefighters Grant, and others. These programs have provided the Police and Fire Departments with valuable assistance and have played an important role in maintaining public safety in the City of Dallas. However, overall funding for state and local law enforcement assistance has declined by 67 percent since its peak in FY 2001.

Since 9/11 the federal government has initiated homeland security grant programs that benefit the City of Dallas: the State Homeland Security Grant Program and the Urban Area Security Initiative (UASI). UASI provides targeted assistance to major metropolitan areas and has helped ensure that the Dallas Metropolitan Area is able to respond to a terrorist attack or any other catastrophic incident. These programs have promoted regional cooperation and greatly improved readiness. However, a major drawback of both programs is that they do not directly provide funding to the City but instead funnel it through the state, creating an additional layer of bureaucracy and diluting the effectiveness of the program.

In recent years, America's cities have experienced an increase in violence and gang activity. This type of criminality is directly linked to a decrease in Federal spending for traditional law enforcement in the wake of an increased focus on Homeland Security.

### Position

The City of Dallas calls on Congress to fully fund public safety assistance programs that directly benefit local governments, including JAG, COPS Grant and the Assistance to Firefighters Grant.

The City of Dallas supports funding of homeland security programs that provide direct assistance to the City, but do not come at the expense of traditional public safety assistance programs (JAG, COPS, Fire Grant program). In addition, formulas for the distribution of funding for public safety should emphasize crime data and homeland security funding should be more targeted based on risk and threat. The City of Dallas also strongly urges Congress to increase transparency of homeland security funding decisions. The City of Dallas opposes any effort to weaken the UASI program or to otherwise shift funds away from major metropolitan areas.

### Impact

These programs provide valuable assistance to City public safety programs. Rising public safety costs have made this assistance more important than ever, especially as rising unemployment threatens to exacerbate public safety concerns. Homeland security grant funds provide the city's first responders important training and equipment and support intergovernmental cooperation. Dilution of the UASI program would shift federal homeland security assistance away from Dallas and other major metropolitan areas where the need is the greatest.