



# washington dc update

## Important Dates to Keep In Mind

January 22, 2011

Over the next six weeks, between today and March 4<sup>th</sup>, there will be three important developments that will occur in the Federal community. They are:

- President Obama's January 25 State of the Union Message to Congress.
- The official release on February 14<sup>th</sup> of the President's proposed FY12 budget.
- The end of the current Continuing Resolution on March 4<sup>th</sup> that is keeping the Federal government open.

Each of these issues feeds into the larger narrative of how the Executive and Legislative Branches of government will approach the immense budgetary challenges that lay ahead.

President Obama's State of the Union will present details on the policies that his Administration proposes to follow for the coming year. The release of the FY12 proposed budget will provide the details of how the President proposes to fund our government. And March 4<sup>th</sup> will see either the introduction of a year-long continuing resolution or of an Omnibus Appropriations bill that will cover the remaining seven months of FY11.

From what we are hearing, an omnibus is probably more likely at this point although nobody is certain. Congressional Republicans are proposing cuts for FY11 ranging from the \$42 billion identified by Representative Kevin Brady in his recently introduced HR 235 all the way to the calls to cut Federal spending by \$2.5 trillion over several years.

One way to at least begin the process are proposals to reduce FY11 spending back to the FY08 levels. As we have pointed out in previous reports, this would result in substantial cuts for some agencies. But key Federal agencies which play important roles in water infrastructure funding, including the Corps of Engineers and the Bureau of Reclamation have had flat budgets since FY08.

We will monitor developments on the spending and policies fronts and send further updates as this process plays out.

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