Hicks-Ray Associates



washington dc update

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DC Update

With the constant drumbeat of information concerning the implications of the Federal deficit and the attendant downward pressure on Federal spending for infrastructure, it is important that the water community pause and consider that this may be the best opportunity in a generation for local governments to ensure that federal environmental regulations actually strike a balance between protecting the environment and the cost to local agencies and the people they serve.

Bad News, Good

Summary &

Take-Away.

Opportunity?

With all the pressure to restraint federal spending, is there an opportunity to reconsider the economic impacts of regulations. Expanding regulation historically does not fit well with national economic growth. It is not a stimulus for recovery.

Take-Away:

The elections of 2012 may be the litmus for how strong regulatory reviewed pursued. There is certainly a need for proper balance; it is this balance, particularly in the arid West, that WESTCAS can speak to. This is far more than a simple knee-jerk reaction against statutes such as the Endangered Species Act and instead reflects that we are in for a long period of economic challenge. Federal regulations that actively cripple local economic activity may be something that the nation can no longer afford. This does not mean that major environmental laws that have been in operation for decades are suddenly going to go away. But as the depth of our current economic situation begins to sink it, it is reasonable to look forward to a period of re-assessment of old regulations and perhaps a significant slowing of those that are still in the pipeline.

One of the current challenges at this point in history is that the economic problems of our country are merging with the expanded regulatory agenda of the Obama Administration. It would seem fair to say that the latter is in the process of being restrained by the former.

We have attached for your review a letter sent from House Speaker Boehner to President Obama last Thursday. The letter references 219 planned new regulations that will cost at least \$100,000,000 each. Speaker Boehner requested that the President provide a list of all pending and planned rules that will cost at least \$1 billion each.

While some may dismiss this current questioning of regulations as mere political theater, as Republicans go after Democrats in preparation for the 2012 elections, we believe that the concern is much broader and bi-partisan. WESTCAS has a tremendous role to play in this process as it educates those in the Federal sector with regard to how various Federal rules and regulations will impact the Arid West. Again, this is the best chance in a generation to have an impact on this process.

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