

Greetings Apartment Industry Colleagues:

It was pointed out to me recently by a reader that the tone of this column has taken a decidedly morose turn. Gloom, doom, disaster and crisis seem to dominate with little attention to some of the more positive goings on in Washington, D.C.

After reviewing past installments, I have to agree that I may have been overtaken by the general malaise that permeates the nation's Capital these days. Though the New Year is still a month out, I resolve to turn my literary frown right-side up in these monthly missives.

By now you know that the Joint Select Committee on Deficit Reduction (Supercommittee) was unsuccessful in reaching an agreement on a \$1.2 trillion deficit reduction package. Despite the valiant efforts of many Committee members, the pressure to maintain ideological purity when it came either to taxes or entitlement spending was too much to overcome.

Technically, this means that the automatic budget cuts (also called sequestration) will go into effect in January 2013; however, Congress wisely gave itself this one-year buffer to regroup if the Supercommittee could not reach an agreement.

Thus, an opportunity for greatness presents itself to the Congress to snatch victory from the jaws of defeat and come up with a bipartisan agreement on deficit reduction. While certainly not easy in an election year, there remains strong motivation to avoid sequestration.

Give members of Congress credit—when they set themselves up to deliver victories for the American public, they do so in a big way. Not only must they deal with the deficit reduction issue, but they also have a significant stack of other business which carries a December deadline.

Funding for the federal government ran out on December 16, so some agreement on 2012 appropriations bills must be reached or another extension of 2011 funding (continuing

resolution) must be passed to keep the government running.

As well, members must craft a plan to prevent a 27 percent cut in Medicare reimbursement to doctors which occurs at the end of the year. Finally, long-term unemployment benefits, the current payroll tax reduction and a long list of tax incentives for energy efficiency, research and development and even film and movie production all expire on December 31.

Taken together, these items carry a hefty price tag, so negotiations will be difficult. However, some members of Congress believe that the failure in the Supercommittee could actually spur the two parties to come together and show the country that they can govern and deal with the big issues.

On the home front, it is time to start planning for your visit to Washington, D.C., in March 2012 for the NAA Capitol Conference (March 11-14). Reaffirming once again that fate has an incredible sense of humor, we were given a new challenge in our planning efforts—the House of Representatives has added a week of recess during the month of March (only the second time this has happened in the past 12 years) and it falls during the week of Cap Con. This means that Representatives will not be in D.C. that week to meet with Cap Con participants. The Senate WILL be in session that week, however, and available for meetings

After evaluating all of the options (move the location; move the date; etc.) the NAA Executive Committee decided to leave the 2012 Capitol Conference on its current dates and in its current location (Omni Shoreham Hotel, Washington, D.C.). And, while members of the House will not be in town, there is much for the apartment industry to discuss with their staffs as well as members of the Senate.

The Capitol Conference is the only time each year when we come together as an industry to make our voices heard on Capitol Hill. In 2011, we broke records for Cap Con attendance and lobby day participation. Our goal is to keep that momentum going, so we are redoubling our efforts to make the Capitol Conference a must do for you and your fellow members in 2012.

Stay tuned for important updates to our agenda, speakers and other special events taking place during the conference. And, of course, if you have ideas for any aspect of the meeting, please let me know.

Written by Greg Brown

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I will close with my usual thank you for patronizing this column. I hope that it has been of some value to you this year. To that, I want to add my thanks to all of the NAA affiliates and members for helping the NAA Government Affairs Department succeed this year in so many ways. The strength of our organization is a reflection of your dedication to the association and to the industry overall. Have a great month and happy holidays.