

# Government That Matters

**As federal and state governments reduce programs for needy, Perez sees county carrying increased burden.**

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THE ALMANAC

**T**om Perez has worked on Capitol Hill and in the federal Departments of Justice and Health and Human Services. But it is in the less glamorous echelons of county government that he believes he's done his most meaningful work.

At the midpoint of his one-year term as president of the Montgomery County Council, Perez drew praise this month for ushering through a budget that provides broad tax relief while preserving moderate increases in county services.

He began his presidency pushing forward an effort to allow county employees to buy low-cost prescription drugs imported from Canada, in defiance of the Rockville-based Food and Drug Administration, which under President Bush has opposed drug imports.

And while he is considered a candidate for both state and federal offices — he could run for attorney general or the 8th congressional seat if those offices' incumbents move on — Perez has railed against the failings of state and federal government and said he came to the Council three years ago because he believed "that the action is local government."

A first-generation Dominican-American, Perez is the highest-ranking Latino official in the state of Maryland and only the second non-white ever to serve on the Council. He was elected in 2002 through a bilingual, grassroots campaign in his Council district, which includes Wheaton, Takoma Park, Kensington, and parts of Silver Spring. He is the first among four newcomers to the Council that year to serve as Council president.

A graduate of Brown University, Harvard Law School, and the John F. Kennedy School of Government, Perez began his career as a civil rights attorney at the Department of Justice eventually became Deputy Assistant Attorney General for Civil Rights.

As a senior aide to U.S. Sen. Edward Kennedy (D-Mass.), Perez helped draft hate crimes legislation including a bill responding to church arsons in 1996.

During the last two years of the Clinton administration, Perez was Director of the Office of Civil Rights at the Department of Health and Human Services under Secretary Donna Shalala, leading a 225-person agency with a \$28 million budget.

A native of Buffalo, N.Y., Perez lives in Takoma Park with his wife Ann Marie, a public interest lawyer, and their three children, Amalia, Susana, and Rafael.

**Q: You're at the halfway point of your Council presidency. What have you learned so far?**

A: I think it's important to make sure everybody is involved and every voice is heard, whether it's my colleagues or the public. What I value — I think the reason this budget process ended up working out successful was that I think everybody added value. Everybody was very actively engaged and had a lot

of good ideas. I think that always makes for a good product. I got a ton of mail from the public, some saying you've got to preserve the services, some saying you've got to cut taxes further and I think in the end we did both.



Tom Perez

**Q: During the budget process, you and some of your colleagues cautioned against currying public favor by simply slashing taxes. What was the turning point in the budget process?**

A: I think the beauty of the budget that we passed is that what it proved was that everybody was right. We were vigilant — by "we" I mean Howie Denis and George [Leventhal] and Steve [Silverman] and myself — in saying that we can't cut our way to the Charter limit. And in fact we couldn't. To be more specific, the amount of money that we thought in our analysis of the budget that we could cut was just about what ended up being cut in the end. We thought we could identify roughly between \$20 and \$30 million in cuts that we could take without undermining the services that we feel are critical to the county. On that score we were right. Phil [Andrews] and Marilyn [Praisner] and other advocates of the Charter limit who said we need and we can get to the Charter limit — they were also right. So I think that it was a good coming together because they recognized in the end that no we can't cut our way to the Charter limit. The fact that the economy's turning around certainly was something that worked to our benefit. Because we have more cash on hand.

Q&A.

Let's say you have \$20,000 in the bank and you're getting ready to buy a new car. You can go and finance the new car or you can go and use some of your cash on hand to reduce the amount that you're going to finance. And we have a lot of cash on hand in the county as a result of the fact that our projections of various tax receipts ... our projections have been conservative so we've exceeded those projections. That's a good thing.

**Q: What about Duncan's criticism that borrowing money from the Capital Budget is fiscally irresponsible?**

A: We had extra cash on hand so what we said was let's put some of that extra cash — not all of it. By the way, Doug [Duncan] has done this in past budgets and we've approved it. There's nothing new in this budget in terms of measures that we took to get us to the Charter limit. I mean I haven't had an original idea in years, I'm fond of saying. It really was a combination of cuts, of deferring projects that we felt could be deferred without doing harm to the public interest and taking cash on hand and giving it to the taxpayers.

You don't want to take that entire \$20,000 you have in the bank and plop it down for the car. Because if your boiler goes the week after and you've got to write a check it puts you in a bad spot. And we still have an ample amount of cash on hand to fund our capital and our operating budget needs.

**Q: What is your response to the perception in the media and elsewhere that the**

# County Plays Safety Net

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## **budget process was acrimonious?**

A: I was very heartened not only by the end result but by the way in which we got to the end result.

We have nine individuals and nine points of view and people are going to disagree on things. But I'm a firm believer in the need to disagree — when we disagree we can do it without being disagreeable. Frankly the people who attacked us the most were not each other. I'm really thinking of a couple members of the Board of Education and one member of the Chamber of Commerce. I think frankly members of the media and members of the public were expecting a bloodbath. ... And I worked hard and my colleagues worked hard to prevent that.

It's regrettable that the partisan divide in Annapolis and on Capitol Hill has basically meant that civility and professionalism are a thing of the past. And if I'm taking a group of third-graders to a civics lesson to see how the political process should operate, I would take them to the County Council.

If you're watching our County Council in action you wouldn't be able to tell who the Republican is, who the Democrats are. And I would respectfully submit that that is a good thing. We're just here solving problems. If I can solve a problem working together with Howie Denis, by all means I'm going to do that. If I can solve a problem working together with Steve Silverman, by all means I'm going to do that, even though I've very publicly and enthusiastically endorsed Ike Leggett. It's not about who you're supporting in some election down the road, it's about solving challenges ... and checking your ego at the door to get the job done and I think that's one thing that everybody did pretty effectively.

## **Q: You have talked about a fundamental change in this country that's squeezing county government. You've worked at the federal level — what do you think the solution to that is?**

A: We need a new president and we need a more progressive congress. When I worked on Capitol Hill in the '90s, I heard the Republican Party talking about fiscal restraint and unfunded mandates were a four-letter word and a sin that should never be allowed to occur and now look who's in power and look what's happening. We're in a sea of red ink in Washington and deficits are being outsourced to future generations and to local governments. And that is unconscionable. And what I haven't done an effective enough job and I would respectfully submit what the media hasn't done an effective enough job of is writing about and educating the public about the link between what happens on Capitol Hill and in Annapolis and what happens in local government.

When I sit down and talk to people in small groups and do town hall meetings about the budget, people are asking: "my assessment went up 60 percent, why can't you just cut my taxes." When I explain to them what's happening, I explain to them that if you're making \$80,000 a year, you've gotten a \$2,100 tax cut from the Bush administration and your local taxes have been raised roughly \$700. So you're getting about a \$1400 benefit but we're the ones that are being left holding the bag. People understand that after a while but it is not something that's necessarily intuitively obvious.

This president has basically declared war on cities

by 74 percent, you are basically saying to places like Washington D.C., places like Silver Spring, places like Wheaton, places like Baltimore City that you know what, we really don't care if your quality of life deteriorates. And frankly who's living in those areas? It's people that aren't the target market of the Republican Party.

## **Q: Can you give some example of ways in which counties are bearing the burden of federal and state cuts?**

A: I'll give you three. Adult education. The president proposes a 74 percent cut the adult education budget. That would translate into a \$1 million reduction of aid in Montgomery County. That would in effect double the number of people on waiting lists to learn English.

The Department of Housing and Urban Development. The budget for the housing choice voucher program. Those are vouchers that allow people living at poverty to stay in a house. They'd be homeless without that here in Montgomery County. They're cutting that program to the point where if we don't back fill it people are going to become homeless.

Community Development block grants. That is how you build communities, and the president has proposed to zero that out.

On a state level, the Medicaid budget. The governor cut 4,000 legal immigrants off of the Medicaid rolls in his most recent budget, half of whom are here in Montgomery County, many of whom are pregnant women and their children.

These are four quick examples of the trail of broken promises that leave us in county government holding the bag.

## **Q: How does the budget wash out for people in Potomac?**

A: It's a great budget for people in Potomac, for the following reason. Look at the education budget and what you're getting in terms of the expansions of all-day kindergarten. The areas where all-day kindergarten is expanding the most is in councilmanic district one. We made a commitment we're going to get it in every county and Howie Denis as well as his constituents has been very patient in waiting for this. This is a great budget for people who have kids in the public schools in Potomac and Bethesda.

## **Q: What can taxpayers be proud of, on the spending side?**

A: The signature program is Montgomery Cares. It's a \$3 million investment in the safety net.

This is a federal and a state responsibility but they've been asleep at the switch, so we're going to pick up the pieces and make sure that people can have access to health care. Access to health care is a right, it's not a privilege in my judgment.

## **Q: How did you come to Montgomery County, and to county government?**

A: I got here in the late '80s. I'm a lawyer and I took a job as a career prosecutor at the justice department. We came here to do public service and we're both still doing public service. She works with homeless people and I'm here and up at University of Maryland law school. I concluded in 2001 that the action is local government. And again with all the abdication of responsibility at the state and federal level I've been vindicated in that belief. You don't get