

DRAFT
ALAMEDA COUNTY
BOARD OF SUPERVISORS'
PERSONNEL/ADMINISTRATION/LEGISLATION
COMMITTEE

Monday, October 12, 2015
1:30 p.m.

Supervisor Keith Carson, Chair
Supervisor Wilma Chan

Location: Board of Supervisors Chambers – Room 512 5th floor
County Administration Building
1221 Oak Street, Oakland, CA 94612

Summary/Action Minutes

I. Federal Legislative Update – CJ Lake

The House and Senate are not in session this week due to the Columbus Day holiday. Due to the uncertainty of Speaker John Boehner's successor in the House, Congress will have to deal with leadership elections and numerous other deadlines in the weeks to come including, the debt default issue, surface transportation authorization deadline and avoiding a government shutdown.

House Leadership

In a closed-door meeting with House GOP Members on Thursday, House Majority Leader Kevin McCarthy dropped out of the race for Speaker. Although McCarthy was viewed as the front-runner, the internal feud among the Republican Conference influenced his decision to step out of the race. McCarthy was confident he would be able to reach 200 votes, but he did not believe he could garner the 218 votes necessary for a floor vote without making too many concessions to the Party's most conservative members.

Conservatives and Members of the House Freedom Caucus (HFC) see McCarthy's withdrawal from the race as a win. The HFC view McCarthy's decision as their first big victory, one that will dictate legislation moving forward.

Representatives Daniel Webster and Jason Chaffetz are still in the running to succeed Speaker Boehner. Webster was endorsed by the HFC last week, however other names are still being considered as potential candidates, including the HFC's Chairman Jim Jordan. With no clear path in place, the election for Speaker has been postponed indefinitely. In response to the postponement, Speaker Boehner said he would stay on as speaker until a new one is elected.

Appropriations/Budget

Key staff members from the House, Senate, and the Obama Administration have held meetings regarding a year-end strategy for FY16 appropriations and a larger budget deal. The longer it takes to achieve a deal on top-line budget numbers decreases the likelihood of a year-end spending package. As a result, Congress may ultimately pass another Continuing Resolution of existing funding, rather than any new changes for FY16.

Surface Transportation Reauthorization

The uncertainty continues with respect to surface transportation reauthorization policy. As the October 29th deadline for the expiration of authority approaches, there has yet to be a definitive path forward. The House Transportation and Infrastructure Committee is working toward a markup date in the coming week. Although the House leadership recognizes another extension will be needed on October 29th, the T&I Committee is committed to marking up a bill before the deadline in order to show that the Committee is making progress.

The Highway Trust Fund and the lack of financing measures available have complicated the pursuit of a long-term surface transportation authorization bill. The offsets used to fund three years of the Senate DRIVE Act are mostly financial in nature and have drawn opposition from financial institutions across the country. The House Ways and Means Committee has yet to identify the revenue sources for the House bill, Chairman Paul Ryan has indicated to Transportation and Infrastructure Committee Chairman Bill Shuster that he should proceed with a bill in order to help move Ways and Means toward a funding decision. It is possible that a final surface transportation authorization bill could be combined into the growing list of legislative activity targeted for December.

Sanctuary Cities

Majority Leader Mitch McConnell announced that the Senate would take up a bill the week of October 19th to bar sanctuary cities from receiving law enforcement grants if they refuse to cooperate with federal immigration officials. Democratic senators are expected to try to block the bill. The House passed similar legislation in July, sparking a veto threat from President Obama.

Criminal Justice Legislation

The Senate Judiciary Committee will hold a mark-up of the bipartisan Sentencing Reform and Corrections Act (S. 2123) on October 19, 2015. More information will be provided as necessary.

Purpose:

- Report progress
- Advocacy or Education
- Request PAL Committee Recommendation or Position
- Other: Federal legislative update**

This item was informational only and required no Committee action.

II. State Legislative Update –Platinum Advisors

The Governor has completed his work signing and vetoing legislation for the 2015 legislative calendar. In total he signed 1,084 measures and vetoed 133. Committee meetings for the special session on health care financing have not been scheduled for the fall, but health plans and the Department of Health Care Services continue to negotiate on the managed care organization (MCO) tax.

Revenue

State Controller Betty Yee released her revenue receipts for the month of September. Personal income tax receipts succeeded estimates by 7.92%, (\$440 million). Sales tax revenue was down 18% (\$392 million) and corporation taxes were down by 13.9% (\$135 million). Overall revenues fell short by 2.6% of projections.

Conference Committee

The Conference Committee on Transportation will begin the process again negotiating an agreement to provide critically needed funding for roadway repairs, goods movement investments and mass transit needs. The Conference Committee has scheduled two (2) hearings: October 16th and October 21st.

The agendas have not been finalized, however the initial hearing will provide an overview of funding proposals introduced so far, such as SBX1 1 and the proposals outlined respectively by the Assembly and Senate Republican caucuses. In addition California State Transportation Agency Secretary, Brian Kelly will provide an overview of the Governor's transportation proposal that was released at the end of session, but was never heard by a committee. The second hearing is expected to focus on public transit funding needs.

1115 Waiver

As California continues conversations with the Centers for Medicare and Medicaid Services about the new 1115 waiver, the Governor signed SB 36 to allow an extension of the current waiver. The waiver expires on October 31, 2015. SB 36 allows the continued operation of the current waiver, including existing hospital payment methodologies and allocations. The Department of Health Care Services will hold an all-day stakeholder meeting on Wednesday, October 14, 2015, to provide an update on discussions.

Purpose:

- Report progress
- Advocacy or Education
- Request PAL Committee Recommendation or Position
- Other: State legislative update**

This item was informational only and required no Committee action.

PUBLIC COMMENT

None.

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