

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

Monday, November 26, 2018
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 in session this week following the Thanksgiving break. The House will focus on several non-controversial bills considered under suspension while the Senate focuses on nominations. The House Democrats will hold their leadership elections this week. Additionally, Congress will have to address several outstanding issues to include the seven remaining FY19 appropriations bills under continuing resolution through December 7 as well as other deadlines for the National Flood Insurance Program, the Farm Bill reauthorization, and reauthorization of the Violence Against Women Act.

2018 Election Update

As of right now, Republicans will control the Senate 52-47. The only outstanding Senate race is Mississippi's as they will hold a run-off election tomorrow between Democrat Mike Espy and Republican Senator Cindy Hyde-Smith. In the House, the Democrats have expanded their lead to 234-200 seats. Rep. David Valadao's race (CA-21) is left to be decided as more votes continue to be counted.

House Leadership Elections

House Democrats will hold their leadership elections on Wednesday, November 28, 2018. It is looking more likely that Leader Pelosi will become the next Speaker. Marcia Fudge (D-OH) was considering her own candidacy for Speaker when she ultimately dropped her bid after Leader Pelosi said she would make Rep. Fudge the Chairman of the House Administration Subcommittee on Elections. Another Pelosi critic, Rep. Higgins (D-NY), said he would support Pelosi after agreeing "in principle" that he would be the lead person to advance legislation that would enable people who have reached age 50 to purchase Medicare.

Lame Duck

Appropriations

There are seven appropriations bill currently under a continuing resolution (CR) that will expire December 7. House and Senate leadership have yet to detail a plan for the remaining appropriations bills. Four of those bills (T-HUD, Agriculture, Financial Services, Interior-Environment) have been packaged into a minibus (H.R. 6147). Congress will either move this minibus and another consisting of State-Foreign Ops, CJS and Homeland Security, and move all seven bills together in one package, or pass another CR that will extend into the 116th Congress to avoid a shutdown.

If appropriators can hammer out all the disagreements, they will most likely choose to move all seven bills together. It is believed that a partial shutdown (the four appropriations bills already signed into law have funded Defense, Military Construction, Veterans Affairs, Labor, HHS, Education and Energy through FY19) over the funding for President Trump's border wall is still possible. However, there could also be a short-term continuing resolution (CR) for 10 or so days to allow Congress to reach an agreement on the remaining appropriations bills.

Farm Bill

The House and Senate continue to negotiate a final deal as no agreement was made last week. Again, we expect the final bill to not include the House Republican proposal to increase work requirements for SNAP recipients.

Immigration

Federal courts recently ruled against the Administration on issues related to proposed restrictions on asylum-seekers and the citizenship question on the 2020 Census forms. A group of asylum-seekers arrived at the San Ysidro port-of-entry, and a deal with Mexico has reportedly been struck under which they would await adjudication of their asylum claims in Mexico rather than being released into the United States as has been the case in the past.

Purpose:

- Report progress
- Advocacy or Education
- Request PAL_Committee Recommendation or Position
- Other: Federal Update**

II. State Legislative Update – Brownstein Hyatt Farber Schreck

As final vote counts are made, Democrats tentatively gained three new seats in previously “too close to call” General Election races – with Sunday Grover (D) likely unseating Assemblymember Brian Maienschein (R), Cottie Petrie-Norris (D) unseating Assemblymember Matthew Harper (R) and Tom Umberg (D) unseating Senator Janet Nguyen (R). This gives Senate Democrats a 29-seat supermajority and Assembly Democrats a 60, possibly 61, seat supermajority.

Now focus has shifted to the 2019-2020 Legislative Session and the priorities of Governor-elect Gavin Newsom. The week following his election, he swiftly announced two senior staff appointments – Ann O’Leary as Chief of Staff and Ana Matosantos as Cabinet Secretary.

Following his election, Newsom also launched a new initiative and website called “All In California,” where members of the public can apply for Administration jobs and recommend policy solutions. Part of this initiative includes amassing a group of political leaders, called “Ambassadors,” to solicit policy recommendations from the public for the new Administration – an effort to consider the voices of all Californians. Ambassadors include Sacramento Mayor Darrell Steinberg, Democratic activist Tom Steyer, State Controller Betty Yee, Incoming House Speaker Nancy Pelosi, among others.

Wildfires and Utilities

As the Campfire reaches 100% containment, after devastating Northern California, a microscope is hovering over PG&E once again. As you may recall, due to past fires in which PG&E was held liable, there has been an ongoing safety investigation of the utility. In a recent statement, PG&E stated they are prepared to implement the 61 safety recommendations provided in the 2017 assessment, by the end of the year. Michael Picker, Chair of the California Public Utilities Commission, recently asked that the ongoing safety investigation be expanded to include the most recent wildfires, including the Campfire. Although the cause of the Campfire has not yet been determined, PG&E could be at fault and insurance risk consultants estimate damages from the Campfire alone to be upwards of \$7.5 billion.

Preparing for what is to come, Assemblymember Chris Holden, Chair of the Assembly Utilities and Energy Committee, plans to introduce legislation to provide financial protections for PG&E beyond what was provided in SB 901 – this would include that the financial stress tests in previous legislation be extended to the 2018 fires. Some legislators are saying it is too soon and not appropriate to discuss relief for PG&E at this time.

Lifting Children and Families Out of Poverty Taskforce Report

AB 1520 (Burke, 2017), which Alameda County supported, established the Lifting Children and Families Out of Poverty Taskforce (Taskforce) tasked with developing comprehensive strategies aimed at addressing deep child poverty and reducing child poverty in California. The Taskforce further defined its goals as ending deep child poverty with urgency and reducing overall child poverty by 50%. On November 19, the Taskforce released a report of its findings which includes several specific strategies to accomplish its goals. The report finds that CalWORKs grant increases are effective and efficient in ensuring that children in poverty have an opportunity to live healthy and productive lives and recommends increasing CalWORKs grant funding by \$1.2 billion over the next three years.

Assemblymember Autumn Burke announced that she and other legislators would be introducing a package of bills in the 2019-2020 Legislative Session based on the Taskforce recommendations.

Affordable Housing and Sustainable Communities (AHSC)

The AHSC Program is aimed at building healthier communities and protecting the environment by increasing the supply of affordable housing near schools, stores, childcare, transit, and other daily needs. Many AHSC projects include affordable housing and transportation improvements that encourage walking, bicycling, and transit use resulting in fewer passenger vehicle miles travelled. The California Strategic Growth Council recently announced that approximately \$395 million is available in Round 4 of the AHSC Program and the application for Round 4 is now available. Applications for Round 4 are due by February 11, 2019.

LAO Report: Taxation of Sugary Drinks

Today, the Legislative Analyst's Office (LAO) released a report called "Taxation of Sugary Drinks." In June 2018, the Legislature passed, and the Governor signed a law which prohibits local governments from taxing sugar-sweetened beverages through 2030. However, there is an effort underway to place on the November 2020 ballot an initiative which, if passed by voters, would enact a statewide sugar sweetened beverage tax. This report provides the Legislature with information and perspectives to consider as it weighs options for levying statewide taxes on sugar sweetened beverages, by examining the following topics: Why tax sugary drinks; Defining the tax base; Choosing the type of tax; Setting the tax rate; and Allocating the revenue.

LAO Report: 2019-2020 Fiscal Outlook

The LAO recently released its annual report called "The 2019-20 Budget: California's Fiscal Outlook," which assists the Legislature in developing the 2019-2020 budget by outlining economic trends and assumptions, providing longer-term outlooks for the state budget, and examines demographic trends that affect California's budget.

The LAO anticipates continued economic growth in California, with overall revenues increasing by 5.5% in 2019-2020. The state is also on track, given moderately low spending growth and no change to current law, to grow its discretionary resources to \$14.8 billion in 2019-2020.

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PUBLIC COMMENT

None.

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