

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

Monday, January 8, 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. Congress returns with a full legislative plate as they continue to negotiate on FY18 spending levels, a DACA fix, another supplemental disaster appropriations bill, among various other issues.

FY18 Appropriations

The current continuing resolution (CR) runs through January 19, 2018. House and Senate leadership held a meeting at the White House last week to continue negotiations on raising the budget caps which would allow appropriators to complete the FY18 bills. There could be one more short-term CR to give appropriators enough time to write the bills once they are given top-line numbers.

Budget Deal

Congress and the White House need to reach a two-year budget deal to raise the budget caps in order to avoid sequestration from going into effect. The plan is to raise the caps by about \$100 billion in FY18 and again in FY19. Republicans would like to see defense increased by \$54 billion and non-defense by \$37 billion, while Democrats are demanding dollar for dollar increases for both defense and non-defense. Until a deal is reached, Congress cannot finalize the FY18 appropriations bills.

Supplemental Disaster Appropriations

During the last week of the 2017 legislative session, the House passed a third supplemental disaster relief bill totaling \$81 billion. However, the Senate did not ultimately take action on the legislation before breaking for the holidays. There is pressure on Republican leadership to quickly pass the disaster supplemental as they made a deal during the most recent CR negotiations with the Texas and Florida delegations that the emergency supplemental would pass if they supported the CR. Democrats have been critical of the disaster supplemental because they say it does not provide enough funding for Puerto Rico and the areas impacted by wildfires.

ACA Stabilization

Despite having a bipartisan agreement on cost-sharing reduction subsidies, Ranking Member of the Health, Education, Labor and Pensions Committee (HELP) Patty Murray acknowledged that changes need to be made to the legislation after the tax reform legislation removed the ACA individual mandate enforcement penalty. She said Democrats will study the issue in coming weeks to determine what needs to be done to stabilize health insurance premiums.

Republicans recently said they're considering funding the cost-sharing reduction payments for 2019 and 2020 instead of 2018 and 2019 because most insurers have already set their premiums for 2018. House Republicans are also demanding changes before supporting the CSR legislation, specifically the addition of language banning money from supporting abortion services. The CSR payments are expected to be part of the next spending bill along with \$10.5 billion in reinsurance funds to help cover the sickest Americans. Senator Collins (R-ME) supported the tax reform legislation with the promise from Senate leadership that they would pass a bill to stabilize the country's insurance markets and offset the impact of ending the requirement that all Americans purchase insurance.

CHIP and other Health Care Extenders

On Friday, the CBO issued a new score on a 5-year CHIP authorization. It is now lowered from \$8.2B previously to \$800M today, given interactions with the individual mandate language that passed as part of the tax bill. Because of this, finding the offsets for a long-term bill will be much easier than what was originally thought. As a result, a long-term extension could move as soon as January 19, 2018.

Association Health Plans

The Trump Administration proposed new rules last Thursday following the president's pledge to let certain small businesses and trade groups band together to buy health insurance, a move that could further weaken the ACA insurance market. The expansion of association health plans is part of a broader effort to encourage the rise of cheaper coverage options that do not comply with certain patient protections and benefit rules. The proposed rules stem from an executive order President Trump signed in October directing federal agencies to loosen restrictions on short-term health insurance and association health plans. State insurance regulators and advocates for the ACA have warned the lax rules could open the door to a new wave of poorly regulated health plans that offer limited coverage. There will be a 60-day comment period on the proposed rules.

DACA

Bipartisan and single-party bills to address the DREAMers' plight have been introduced in both chambers, and top-level meetings among House and Senate leadership with the Administration are beginning as we enter 2018. Conventional wisdom still holds that a solution will be found before the March 5th deadline.

The most critical issue remains the trade-off for making the DACA protections permanent - possibly some combination of a commitment to build the border wall, increased interior immigration enforcement, or a package of changes to existing immigration law. Republicans are under pressure to avoid an "amnesty" without concessions on enforcement, while Democrats do not want to protect DREAMers at the expense of their non-citizen family members or of future immigrants. House and Senate leaders continue to negotiate with the White House with a deal possible as soon as mid-January with the next spending bill.

2018 Republican Agenda

President Trump and Republican leadership met this past weekend at Camp David to discuss the 2018 Republican agenda. They discussed issues including, whether and how to tackle welfare programs, health care and infrastructure. Republican leaders seemed to acknowledge that 2018 would be a difficult year for their party. They also did not offer many details regarding specific policy plans for the coming months, but instead spent much of their press conference at Camp David touting 2017 accomplishments.

Republican leaders also suggested they'd shift from a partisan agenda to one that includes Democrats. For weeks, there were numerous discussions on whether the party should tackle entitlement reform to appease the conservative base before the midterms, or take on issues that are seen as bipartisan such as infrastructure. Republicans signaled that they would choose a bipartisan approach in 2018, specifically citing their desire to rebuild roads and bridges.

As previously reported, Congressional Republicans were looking into reforming entitlement programs as well as welfare programs. Concerns from both President Trump and Majority Leader Mitch McConnell (R-KY) have led Speaker Ryan to narrow his push to reform these programs. However, the Speaker still vaguely discussed issues related to entitlement reform over the weekend, framing the issue as “poverty reform” that helps move the unemployed from welfare to work. Furthermore, President Trump said Republicans would only pursue welfare reform in a bipartisan way, effectively ruling out any hopes of using the reconciliation process to bypass Democrats to make cuts to the safety net. There seems to be continued talk of Speaker Ryan wanting to add work requirements to TANF. (Already see this happening with Medicaid in some states through waivers). Additionally, Republican leaders said they intend to focus this year on military spending, anti-drug efforts, workforce training, a budget agreement and immigration enforcement.

Federal Action on Recreational Marijuana

Attorney General Jeff Sessions issued a memorandum on Thursday afternoon that rescinds an Obama-era Justice Department policy that effectively allowed states the flexibility to legalize recreational marijuana. It is still unclear what this means for states that have already legalized the cultivation, distribution, and sale of recreational marijuana or how the federal government intends to enforce the policy.

Purpose:

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

II. State Legislative Update – Brownstein Hyatt Farber Schreck

The Legislature reconvened from Interim Recess on January 3. While sexual harassment will remain a focus in the capitol, the Legislature will also be tending to some of the unfinished business from 2017 and working on new ideas for 2018. This week, the Governor will be focused on submitting his 2018-19 state budget. The Governor will also present his last State of the State address in Sacramento on January 25. Just last week in the Senate, Senator Tony Mendoza finally agreed to take a leave of absence during the investigation of the sexual harassment claims against him. In addition to the two Assemblymembers who have already resigned following sexual harassment allegations, Democratic Assemblymember Sebastian Ridley-Thomas also recently announced his resignation from the Legislature citing ongoing health issues. This means that the Assembly Democrats have temporarily lost their 2/3 supermajority and vacant seats will not be filled until at least April of 2018, when the first special election primary is scheduled. As a reminder, below are a few of the upcoming important legislative deadlines:

- **January 10** – Budget must be submitted by Governor
- **January 12** – Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house in the odd-numbered year
- **January 19** – Last day for any committee to hear and report to the floor bills introduced in that house in the odd numbered year
- **January 19** – Last day to submit bill request to the Office of Legislative Counsel
- **January 31** – Last day for each house to pass bills introduced in that house in the odd- numbered year
- **February 16** – Last day for bills to be introduced

Housing Legislation

Last year was a major year for housing efforts in California with the passage of a comprehensive housing package aimed at the creation and streamlining of affordable housing throughout the state.

Many bills within the package will be subject to clean-up efforts in 2018 – these bills include AB 72 (Santiago), AB 678 (Bocanegra)/SB 167 (Skinner), AB 879 (Grayson), SB 35 (Weiner), and SB 166 (Skinner).

During the Legislature's first week back from interim recess, new housing legislation has already surfaced. Some of the notable measures already introduced include:

- SB 827 (Weiner) – which overrides local zoning ordinances, general plans and specific plans, related to transit-rich housing projects.
- SB 828 (Weiner) – which is aimed at increasing housing development goals in high-cost, high-income markets
- SB 829 (Weiner) – which would override local land use rules for the development of farmworker housing
- Other housing issues that may arise this year include rent control, redevelopment agencies and the funding of new projects, changes to the California Environmental Quality Act related to housing, and Proposition 13.

State advocates will continue to monitor housing related bills as they are amended and introduced, and keep the County apprised of new developments.

Cannabis

Effective January 1, 2018, new cannabis laws that permit both adult use and medical use of marijuana in California went into effect. Since then, State Attorney General Xavier Becerra has requested information from United States attorneys in California, who represent the federal government, on what they plan to do to implement recent federal directives regarding legal cannabis. In an interview, Becerra stated that he has not ruled out a lawsuit and said that he is “ready to protect the state’s laws when it comes to marijuana.” In 2017, Assemblymember Reginald Jones-Sawyer introduced AB 1578, which would essentially make California a sanctuary state for cannabis. Though the bill stalled in the Senate mid-last year, Jones Sawyer has stated that he plans to work with Governor Brown and the Legislature on 2018 to make this proposal a reality.

SB 1 Repeal Efforts

There is a petition in circulation to place on the ballot a measure to repeal the gas tax implemented by SB 1. So far, the measure has received about half of the signatures needed to qualify for the November ballot – proponents need at least 585,407 signatures from registered voters by March 2018 to qualify. The gas tax increase of 12 cents takes the tax from 29.7 cents per gallon to 41.7 cents per gallon. The diesel fuel tax increase of 20 cents raises the tax from 16 cents per gallon to 36 cents per gallon.

Racial and Identity Profiling Advisory Board Annual Report

The Racial and Identity Profiling Advisory (RIPA) Board began its work in July of 2016, following the creation of the Racial and Identity Profiling Act by AB 953, the purpose of which is to eliminate racial and identity profiling and improve racial and identity awareness within law enforcement. Last week, RIPA released its first annual report required by the Act, which provides information on existing policies and sets forth a vision for the future. Information in the report includes the following:

- A history of racial and identity profiling and information on current evidence-based research.
- Summary of the type of information law enforcement will collect and report to the DOJ.
- An analysis of the data collected regarding citizen/civilian complaints, including complaints of racial and identity profiling reported to the DOJ by law enforcement in 2016.
- Summary of the results of a survey the RIPA Board distributed to law enforcement agencies regarding policies on racial and identity profiling.
- Analysis and recommendations on racial and identity profiling trainings for officers.

In addition to the analysis of data provided by the report, the RIPA Board also offers recommendations for best practices and next steps.

Purpose:

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- Other: State Update**

PUBLIC COMMENT

None.

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