

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

Monday, March 6, 2017
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. The House is set to debate the FY17 defense appropriations bill while also taking steps this week to repeal and replace the Affordable Care Act as Republicans plan to introduce their own healthcare bill. The Senate will continue working through the confirmation process for Trump Administration nominees as well as utilizing the Congressional Review Act on resolutions of disapproval that would overturn rules promulgated by the Obama Administration.

FY17 Appropriations

There is now movement in Congress on both FY17 Defense appropriations as well as a supplemental appropriations bill. The House and Senate Appropriations Committees released a final bipartisan and bicameral FY17 Defense appropriations bill that totals \$583.7 billion. The bill is scheduled to come to the House floor on Wednesday. There is some talk that this could be the legislative vehicle to carry the other remaining FY17 bills. The current Continuing Resolution (CR) funds the federal government through April 28, 2017.

The Administration also sent its FY17 Defense supplemental (\$30 billion) appropriations request to the Office of Management and Budget (OMB) at the end of last week. There may be a separate Homeland Security supplemental appropriations request as well that could include funding to cover the construction of the border wall and the proposed hiring of an additional 5,000 Customs and Border Protection and 10,000 Immigration and Customs Enforcement officers.

FY18 Budget Request

Last week, the administration announced their plans for a 10% (\$54 billion) increase in FY18 defense spending and corresponding cuts from domestic programs and the State Department. These proposals are already facing strong opposition from Congressional Republicans. House Republican appropriators have stressed the unlikelihood of finding \$54 billion to cut from discretionary non-defense programs, fiscal conservatives insist on addressing entitlement spending, and defense hawks view the \$54 billion increase as insufficient to meet the country's national security needs.

Republican ACA Repeal & Replace Plan

Republicans have been unable to reach consensus on a path forward, however House Republican staff worked with the White House all weekend and we expect a bill to be introduced soon. The three issues that seem to be the biggest challenges are: tax credits, Medicaid expansion, and employer-sponsored health insurance. As for tax credits, some conservatives worry about the cost of tax credits and prefer a tax deduction. We are now hearing the bill will limit tax credits to people who earn under a certain threshold.

Medicaid expansion presents a challenge, particularly to the 20 Republican senators who represent some of the 31 states that have expanded the program and would in turn need to justify removing expanded healthcare coverage from their constituents. It is possible that the bill would phase out the expansion and states would receive capped payments based on Medicaid enrollment. Setting a cap on the non-tax treatment of employer-sponsored health insurance seems to be the favored method by which congressional Republicans aspire to pay for the tax credit, but disagreements prevail. We are now hearing the new bill could drop that cap.

House Republican leaders have developed a new draft bill that could be marked up by the Energy & Commerce Committee as soon as this week, but the bill currently does not have a score from the Congressional Budget Office (CBO) and there are yet to be any official estimates as to how many people would actually be covered under the new proposal.

House Ways and Means Chair Kevin Brady and Energy and Commerce Chair Greg Walden even participated in a Senate Republican meeting last week to seek buy-in on the House proposal. However, Senate Republicans are still noncommittal, citing the need to review the CBO's budget estimates before making a decision and also the uncertainty as to whether the non-partisan Senate Parliamentarian will rule on whether certain provisions of the new draft are in order through the budget reconciliation process. Under the reconciliation process, only aspects of a law that affect federal spending or taxes can be addressed or repealed.

Travel Ban 2.0

Today, President Trump announced a new executive order that would replace his original order banning travel from predominately Muslim countries. The changes are designed to avoid the legal challenges that halted the first order. Both orders were issued as a way to keep citizens safe while preventing potential terrorists from entering the U.S.

In the new order, Iraq was dropped from the list of seven predominately Muslim countries whose citizens are barred from entering the U.S. for 90 days (Iran, Libya, Somalia, Sudan, Syria, and Yemen – remain on the list). While the revised order halts admissions of refugees for 120 days, it no longer bans Syrian refugees indefinitely, nor does it favor immigrants of the Christian faith. Permanent legal residents, also known as green-card holders, and travelers with valid visas are exempt from the new order. Another new feature of the revised order is a 10-day delay to allow coordination of agencies before the measure begins.

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 – Brownstein Hyatt Farber Schreck

The Legislature has now passed their February 17 bill submission deadline and has introduced over 2,500 measures. Budget Committees have started to meet to discuss implications of the Governor's proposed 2017-18 budget and Policy Committees are starting to slowly hear bills.

Update on County Sponsored Bills

Assemblymember Quirk introduced Alameda County's sponsored bill, AB 333, which will transfer ownership of a portion of State Route 185 at East 14th Street and Mission Boulevard within unincorporated Alameda County. The bill has been referred to the Assembly Transportation Committee; a hearing date is forthcoming.

Assemblymember Thurmond introduced AB 435, which will be amended to include the County's sponsored child care pilot bill clean-up language. We are working with Thurmond's office to amend the bill to reflect Alameda County's requested changes to the pilot. The bill has been referred to the Assembly Human Services Committee and is awaiting a hearing date.

Assembly Select Committees Announced

On March 2, 2017, Assembly Speaker Anthony Rendon announced the establishment of 42 new select committees, which will serve as platforms to study policy priorities and to develop future legislation. The Speaker has already appointed chairs to the select committees, which cover a wide variety of issues ranging from foster care, to hate crimes, to California's clean energy economy.

Speaker's Blue Ribbon Commission on Early Childhood Education

On February 1, Speaker Rendon announced the launch of a Blue Ribbon Commission on Early Childhood Education, which will prioritize developing solutions to improve the education system for California's youngest children. Today, the Commission held its first hearing. The discussion today was the first of many to come, and as the Commission described, will frame the debate for the next Administration and provide a forum outside of the budget process to discuss Early Childhood Education.

Coordinated Care Initiative

On February 27, the Legislative Analyst's Office released a report examining the discontinuation of the Coordinated Care Initiative outlined in the Governor's 2017-18 proposed budget. The discontinuation will result in a cost shift back to counties of over \$600 million. The LAO concludes that the cost shift will create significant fiscal challenges for counties. Additionally, the LAO suggests that the Legislature provide counties with financial support, both short and long term, to adjust to this change.

Board of State Community Corrections Regulations on Visitation in Jails

The Board of State and Community Corrections (BSCC) recently approved regulations that will require local detention facilities to provide access to in-person visitation, with a few exceptions. Vetoed by Governor Brown in 2016, SB 1157 (Mitchell) would have prohibited jails from only offering electronic visitation. Brown's veto message prompted the BSCC to meet with stakeholders to discuss viable options. If the regulations are approved by the Office of Administrative Law, county jails will be prohibited from adopting video visitation only policies. On February 21, 2017, the Assembly and Senate Budget Subcommittee 5 and the Senate Public Safety Committee held an informational hearing on the revised regulations.

Cap and Trade Auction

The California Air Resources Board (ARB) posted results of the February cap and trade auction last week, revealing that only 16.5% of the 74.8 million metric tons of emission allowances were sold at the floor price of \$13.57 per ton. The dismal revenues from this auction, however, will complicate the Governor's plan, in budget proposal, to spend \$2.2 billion on climate-related projects.

California Public Records Act

Last Thursday, the California Supreme Court unanimously ruled that Government employees may not keep private or personal work-related emails or texts from the public, if requested – this is following the recent pandemonium surrounding the use of private accounts for work-related business among government officials, most notably, surrounding Hillary Clinton in the Presidential Election. It is unknown how this law may impact county procedures for handling public record requests of this nature, however, the ruling suggests that reasonable searches for records may be sufficient to uphold the law without infringing on employee privacy rights.

ABAG and MTC Legislative Workshop

The Association of Bay Area Governments and the Metropolitan Transportation Commission will be holding their annual Legislative Workshop in Sacramento on Wednesday, March 22. The workshop will feature legislators who will provide briefings related to transportation funding, housing, land use, cap and trade, climate change and more. Additionally, State Housing and Community Development Agency Director, Ben Metcalf, has been invited to provide updates on current housing issues.

State Controller's January Cash Report

The State Controller's office reports January revenues surpassing the Governor's 2017-18 budget projections by \$884.4 million, or 6.2 percent. Although this is a reversal from December's shortfall of \$756 million, it is not necessarily indicative of a long-term trend. The report also notes that year-to-date sales and use tax revenues are \$60 million below forecast.

Department of Finance Bulletin

The Department of Finance reports that California's unemployment rate has dropped by 0.1 percent to 5.2 percent in December, following November's 0.2 percent decline. Additionally, California created 3,700 nonfarm jobs in December, well below the monthly average gain of 27,700 jobs in 2016.

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.

Request for Legislation position – Action Items

- i. **AB 15 (Maienschein) Denti-Cal program: reimbursement rates**
Recommendation: Support: Rebecca Gebhart, Interim Director, Health Care Services Agency
- ii. **AB 423 (Bonta) Residential Hotel Protection for the City of Oakland**
Recommendation: Support: Supervisor Keith Carson, District 5, Board of Supervisors
- iii. **AB 675 (Ridley-Thomas) Medi-Cal: in-home supportive services: funding**
Recommendation: Support: Supervisor Keith Carson, District 5, Board of Supervisors
- iv. **SB 687 (Skinner) Health facilities: emergency centers: Attorney General**
Recommendation: Support: Supervisor Keith Carson, District 5, Board of Supervisors
- v. **SB 167 (Skinner) Supplemental Security Income and CalFresh: pre-enrollment**
Recommendation: Support: Lori A. Cox, Director, Social Services Agency
- vi. **Adult Protective Services (APS) – Home Safe Budget Proposal**
Recommendation: Support: Lori A. Cox, Director, Social Services Agency

Purpose:

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

Recommendation from PAL Committee: Support. Move to the full Board of Supervisors.

PUBLIC COMMENT

None.

Board of Supervisors' Committees agendas are available via Internet at: <http://www.acgov.org/>