

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

Monday, May 1, 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. Congress will spend much of the week trying to pass the FY17 Omnibus Appropriations legislation that was introduced on Monday. The Senate will continue its work on lower level nominee confirmations and possibly resolutions of disapproval using the Congressional Review Act. It is possible that the House may vote on the American Health Care Act if Republican leadership is able to garner enough votes.

FY17 Appropriations

On Sunday evening, House Appropriations Chairman, Rodney Frelinghuysen (R-NJ), announced that Congress had reached a deal on the FY17 Omnibus Appropriations bill. House and Senate Republican and Democratic leadership and the White House have been in negotiations on a final FY17 appropriations package for the last few weeks. The bipartisan deal on the \$1.1 trillion appropriations bill largely mirrors Democratic priorities and rejects most of President Trump's wish list, including money to begin building a wall along the U.S.-Mexican border. The package does not include any of the requested \$18 billion in FY17 domestic discretionary cuts President Trump requested in March.

Recently, negotiations intensified over a broad spending deal and the focus turned to policy riders and funding limitations, rather than actual funding levels. Some of the final negotiations centered on funding for President Trump's border wall and key insurance payments for Obamacare. President Trump backed off his initial request for additional funding for the border wall after Democrats warned they would oppose any legislation that included the provision. House Minority Leader Nancy Pelosi was able to negotiate with the White House on funding for Obamacare's cost-sharing reduction payments, which was seen as the largest outstanding issue preventing a final deal on the omnibus measure. From the start, it was clear that Republicans would need Democratic votes in order to pass an FY17 omnibus package that would fund federal agencies through September 30, 2017. Democrats used this as leverage to demand removal of certain policy riders and funding limitations in the appropriations bill.

Congressional Leaders finally posted the legislative text early Monday morning with the expectation that the House will pass the omnibus appropriations legislation later this week with the Senate to follow shortly after.

American Health Care Act

The White House and House Republicans continue to discuss options for reviving the American Health Care Act ("AHCA") after it was pulled from consideration on March 24, 2017 by Speaker Ryan. The deficit-reduction amounts from a significant decrease in Medicaid spending would likely be the key to moving tax reform and/or infrastructure investment legislation later this Congress, and "repeal-and-replace" of "Obamacare" was a key campaign promise of President Trump and a number of Congressional Republicans.

The most recent effort to garner enough votes to constitute a majority in the House is an amendment offered by Rep. MacArthur of New Jersey and brought to the House Rules Committee last week. Rep. Tom MacArthur is the co-chair of the GOP moderate “Tuesday Group” and negotiated the amendment with the leader of the House Freedom Caucus, Rep. Mark Meadows of North Carolina. The amendment would allow states to petition HHS for a waiver of certain ACA provisions, specifically those relating to preexisting-condition coverage and the requirement to provide “essential health benefits.” The amendment is not expected to change the number of individuals who will lose or drop coverage, and may not result in significant decreases in policy premiums. State “high risk” pools would be used to offer coverage in future plan years.

Rep. MacArthur made clear that he was not negotiating on behalf of the Tuesday Group, and members of that group were critical of the amendment, as they were of the larger AHCA bill negotiated in March. House leadership and, to some extent the Freedom Caucus, will seek to put pressure on the Tuesday Group to vote with the rest of the conference to pass the amended bill in the House. Rep. Meadows predicted House passage by the end of May. Still, a moderate House Republican was overheard telling an aide “If I vote for this healthcare bill, it will be the end of my career.” Prospects for the amended bill passing the Senate are also not promising.

Sanctuary Cities

Two events on Tuesday, April 25th, helped shed light on the Administration’s threat to withhold funding to “sanctuary cities.” In the morning, Attorney-General Sessions met with a number of mayors and county supervisors. No formal document was released, but interviews with participants leaving the meeting indicated that the Department of Justice had clarified - and significantly narrowed - the operating definition of “sanctuary cities.” Although AG Sessions and President Trump have made numerous public statements critical of jurisdictions with policies against inquiring about the immigration status of individuals interacting with the police or other local government offices or jurisdictions who did not comply with warrantless detainer requests issued by Immigration and Customs Enforcement officers, DOJ provided meeting participants with a copy of a brief filed in the Northern District of California, in which the Department made clear that the only requirement for local jurisdictions was compliance with 8 U.S.C. 1373. That provision prohibits local governments from adopting a policy to interfere with the sharing of information from local law enforcement to federal immigration officials. Section 1373 does not create a duty to gather information about immigration status, nor does it require jurisdictions to honor detainer requests or otherwise affirmatively cooperate with immigration enforcement officials. Mayor Mitch Landrieu of New Orleans told reporters outside the meeting that he doubted that any jurisdiction met this narrow definition of “sanctuary city” based on the 1373 standard.

That afternoon, Judge William Orrick of the Northern District of California, in San Francisco, granted a preliminary injunction in cases brought by the City of San Francisco and Santa Clara County challenging Executive Order 13768. Specifically, that EO set forth the policy to withhold federal funds to “sanctuary cities.” Despite the above-referenced DOJ brief insisting that the Administration was simply enforcing Section 1373, Judge Orrick cited public comments by AG Sessions and President Trump on the issue and held that the Administration has no authority to attach new conditions to federal spending. If the Justice Department decides to pursue an appeal from Judge Orrick’s decision, it would go to the Ninth Circuit Court of Appeals, which President Trump today again called for breaking into multiple circuits. There are also other cases brought by local governments pending in other courts on this same issue.

National School Lunch Program

On Monday afternoon, Secretary of Agriculture Sonny Perdue took steps to roll back nutrition standards championed by former First Lady Michelle Obama. Secretary Perdue announced he would be relaxing guidelines and providing greater flexibility in nutrition requirements for school meal programs. The Obama administration placed standards on school lunch nutrition in 2010 when it passed the Healthy, Hunger-Free Kids Act.

Under the changes proposed by Secretary Perdue in the interim final rule, federal nutrition standards will not require schools to cut the amount of salt in meals, states will be able to allow some schools to serve fewer whole grains, and schools will be allowed to serve 1% milk rather than only nonfat milk.

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

Last Friday was the deadline for the Legislature to hear and report fiscal bills to fiscal committees. Policy committees will continue to meet and hear non-fiscal bills until the May 12 deadline. Bills that do not pass out of policy committees this year will become two-year bills, and will be given a second chance in January of 2018. Governor Brown is expected to present his May Revise on May 12, where budget provisions will be recast based on California's current economic climate and input from the Legislature and stakeholders.

Update on County Sponsored Bills

AB 333 (Quirk), Alameda County's sponsored bill to transfer ownership of a portion of State Route 185 at East 14th Street and Mission Boulevard within unincorporated Alameda County, is currently on the Appropriations Suspense File and will be dealt with on May 26.

AB 435 (Thurmond), Alameda County's Child Care Pilot Program cleanup bill, passed out of the Assembly Human Services Committee on April 25. The bill will now be heard in the Assembly Appropriations Committee.

Coordinated Care Initiative (CCI) Update

While CSAC continues meetings and negotiations with the Department of Finance regarding the CCI, there have been no new developments. CSAC remains confident that a deal will be reached prior to the May Revise.

AB 675 (Ridley-Thomas) that will prohibit the CCI from being made inoperative due to a determination made by the Director of Finance, and appropriates \$650 million for purposes of continuing the CCI, passed out of the Assembly Human Services Committee with unanimous, bipartisan support last week. The County is in support of this bill.

Transportation Funding Update

As you know, the Legislature passed SB 1 (Beall) – the long awaited transportation plan – in early April. The bill will generate \$5.2 billion a year in new revenue and allocates \$3 billion per year to be split evenly between state and local governments for highway and road maintenance.

On Friday, Governor Brown signed the transportation funding package. The funding will be phased in over the next few years and will be broken down as follows:

Fix Local Streets and Transportation Infrastructure (50 percent):

- \$15 billion in "Fix-It-First" local road repairs, including fixing potholes;
- \$7.5 billion to improve local public transportation;
- \$2 billion to support local "self-help" communities that are making their own investments in transportation improvements;
- \$1 billion to improve infrastructure that promotes walking and bicycling—double the existing funding levels;
- \$825 million for the State Transportation Improvement Program local contribution;
- \$250 million in local transportation planning grants.

Fix State Highways and Transportation Infrastructure (50 percent):

- \$15 billion in "Fix-it-First" highway repairs, including smoother pavement;
- \$4 billion in bridge and culvert repairs;
- \$3 billion to improve trade corridors;
- \$2.5 billion to reduce congestion on major commute corridors;

- \$1.4 billion in other transportation investments, including \$275 million for highway and intercity-transit improvements.

Over the years to come, state and local governments will be empowered to dedicate much needed funding towards the development and repair of California's deteriorating highway and road system. In order to shed light on the numerous unknowns counties face as the plan phases in, the California State Association of Counties held an informative webinar on April 28.

Sanctuary Cities

On April 25, U.S. District Judge William Orrick blocked President Trump's attempt to withhold funding from sanctuary cities that fail to comply with U.S. immigration authorities. The Department of Justice recently sent out notices advising communities to prove compliance with federal immigration law. California stood to lose \$18.2 million in federal funding. Judge Orrick explained that "Federal funding that bears no meaningful relationship to immigration enforcement cannot be threatened..."

Senate President pro Tempore Kevin de León, author of SB 54, The California Values Act, declared the outcome a "constitutional victory for states, counties and cities." California Attorney General Xavier Becerra also praised the federal court decision, warning that Californians "will not compromise our values to accommodate the new Administration, which seeks to hijack crucial resources, sow fear among California families and make our communities less safe."

No Place Like Home Program Guidelines

On April 28, the Department of Housing and Community Development (HCD) released its draft program guidelines for the No Place Like Home (NPLH) Program, which assists counties in funding the development of permanent, supportive housing for individuals with mental illness who are experiencing homelessness. HCD is now accepting public comments on the draft program guidelines.

Additionally, the HCD continues to seek public input on the design of the new No Place Like Home (NPLH) Program. The HCD will be hosting numerous regional workshops to present the program design in the draft guidelines mentioned above. The next local workshop will be held in Oakland, on May 11.

Cap and Trade

On April 6, the 3rd District Court of Appeal upheld the California Air Resources Board's Cap and Trade Program – a key element of the state's climate plan which requires California to return to 1990 levels of greenhouse gas emissions by 2020 – ruling that its auction sales are not representative of an illegal tax, giving Governor Brown and the Legislature constitutional grounds to move forward with a plan to extend the program beyond 2020. Today, the Senate is expected to introduce a proposal through SB 775 (Wieckowski) that will overhaul the Cap and Trade system by extending the length of the program and implementing a "price collar" – which will set a minimum and maximum cost for credits.

The bill has not yet been amended to reflect the proposal, but we will keep you informed of developments in the coming days.

Cannabis

There are three licensing agencies governing medical cannabis – the Bureau of Medical Cannabis Regulation (Bureau), the California Department of Food and Agriculture (CDFA), and the Department of Public Health (DPH). On April 28, 2017, the CDFA, the entity responsible for the licensing released draft regulations on medical cannabis cultivation. All three governing agencies will be holding public hearings to receive comments on the proposed regulations.

Additionally, on May 3, 2017, CSAC's Cannabis Working group will convene to discuss the progress being made to streamline regulations pertaining to both medical and recreational use of marijuana. A trailer bill has been introduced in an effort to synch regulations governing the Medical Cannabis Regulation and Safety Act and the Adult Use of Marijuana Act heading into 2018.

California Awarded Opioid Crisis Funding

Health and Human Services (HHS) Secretary Tom Price, announced that HHS will be funding all states with grants to help combat opioid addiction – a total of \$485 million nationwide. California is set to receive nearly \$45 million in the first year. The grants are aimed at increasing access to opioid addiction treatment, reducing unmet needs, and reducing overdose related deaths

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 258](#) (Arambula) Child care subsidy plans**
Recommendation: Support: Willie A. Hopkins, Jr., Director, General Services Agency
- ii. **[AB 300](#) (Caballero) Child care subsidy plans**
Recommendation: Support: Willie A. Hopkins, Jr., Director, General Services
- iii. **[AB 377](#) (Frazier, Gonzalez-Fletcher) Child care subsidy plans**
Recommendation: Support: Willie A. Hopkins, Jr., Director, General Services
- iv. **[AB 550](#) (Reyes) State Long-Term Care Ombudsman Program: funding**
Recommendation: Support: Lori A. Cox, Director, Social Services Agency
- v. **[AB 1164](#) (Thurmond) Foster Care Placement: Funding**
Recommendation: Support: Lori A. Cox, Director, Social Services Agency and Willie A. Hopkins, Jr., Director, General Services Agency
- vi. **[SB 31](#) (Lara) California Religious Freedom Act: state agencies: disclosure of religious affiliation information**
Recommendation: Support: Rebecca Gebhart, Interim Director, Health Care Services Agency and Supervisor Richard Valle, District 2, Board of Supervisors
- vii. **[SB 63](#) (Jackson) Unlawful employment practice: parental leave**
Recommendation: Support: Rebecca Gebhart, Interim Director, Health Care Services Agency and Supervisor Richard Valle, District 2, Board of Supervisors
- viii. **[SB 703](#) (Skinner) Transactions and use taxes: Counties of Alameda and Santa Clara**
Recommendation: Support: Wilma Chan, District 3, Board of Supervisors
- ix. **[Support](#) restoration of funding for AB 212 (2000) Local Childcare Planning Council programs**
Recommendation: Support: Willie A. Hopkins, Jr., Director, General Services Agency

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- 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/>

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