

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

Monday, June 29, 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 currently in a district work period and are adjourned for the 4th of July Recess. After the recess, there will be a number of issues that garner attention including, the reauthorization of the Export-Import Bank and how to find spending offsets to extend the surface transportation authorization bill, MAP-21. When the Senate returns, its first debate will be on the bipartisan “Every Child Achieves Act” that would roll back the No Child Left Behind Act requirements and would reauthorize federal programs in the Elementary and Secondary Education Act. Some other bills that could be considered after recess include: the Medical Device Tax repeal, the 21st Century Cures bill (speeds up FDA review of drugs), cybersecurity legislation, and the annual defense authorization conference report.

House and Senate Appropriations

Last week, the House Appropriations Committee approved the FY16 Labor, Health and Human Services, and Education funding bill. The next day, the Senate Appropriations Committee advanced the \$153.2 billion Labor-HHS-Education spending bill out of committee.

CJ Lake worked with Congresswoman Barbara Lee’s staff regarding potential language to be included in the manager’s amendment focused on the Labor Department’s reentry grant programs. The following language was included: “Peer-to-peer mentoring—The Committee recognizes the role of peer-to-peer mentoring and counseling in efforts to address employment barriers faced by incarcerated and formerly incarcerated individuals. The Committee urges ETA to incorporate this type of mentoring and counseling in its programs.”

As reported previously, the White House has issued Statements of Administration Policy for every appropriations bill that has been introduced thus far, promising a veto of every bill because the overall total for discretionary appropriations is too low, as called for by the Budget Control Act of 2011. Because Senate Democrats blocked the FY16 Defense Appropriations bill from coming to the floor, the Senate is expected bring any further FY16 bills the Senate floor. The Appropriations Committee will continue to mark up their FY16 bills, but the bills won’t go any further until a larger budget deal is in place.

After the July 4th Recess, the House plans to finish consideration of the FY16 Interior-EPA Appropriations bill, which would reduce Environmental Protection Agency spending and curb proposed agency rules including carbon-emissions regulations.

King v. Burwell Decision

Last week, the Supreme Court upheld a key component of the Affordable Care Act (ACA) in the King v. Burwell case, upholding the tax credits that are used by millions of Americans to buy health insurance.

The 6-3 ruling eliminates one of the greatest legal challenges to the ACA and will also help to prevent a collapse in the federally-run exchanges. The Justices in the majority said the ACA allows tax credits in all 50 states, not just the 16 that have authorized their own online state insurance exchanges.

This keeps the ACA structure intact and avoids the potential crisis of more than 6 million people losing their subsidies, after which Congress would have had to scramble to put a stop-gap measure in place. Instead, there may be Republican-led efforts to reform specific provisions in the ACA including, the medical device tax, 30-hour definition of "full-time", and the individual mandate.

Under the budget resolution, S. Con. Res. 11, Republicans have until July 24th to decide whether to use the reconciliation process to repeal tax and spending elements of the ACA. It allows for a simple majority for Senate passage of reconciliation measures, denying Democrats the ability to use the filibuster on an ACA repeal measure. Speaker Boehner said there has been no decision on how to use the procedure. President Obama would likely veto any reconciliation measure with a health-care repeal and Republicans lack the two-thirds majority needed to override such a veto.

Independent Redistricting

In *Arizona State Legislature v. Arizona Independent Redistricting Commission*, the Supreme Court upheld an independent commission set up by Arizona voters to draw congressional districts. The ruling rejected contentions that the Arizona law, approved in a 2000 ballot initiative, strips state lawmakers of power reserved to them by the Constitution and opens a new path for efforts to limit gerrymandering -- the practice of drawing irregular district lines to gain a political advantage. The Supreme Court has previously refused to put constitutional limits on partisan districts.

DRIVE Act--Surface Transportation Reauthorization

Last week, the bipartisan leaders of the Senate Environment and Public Works Committee released the text of a six-year highway program reauthorization. EPW Chairman James Inhofe, Ranking Member Barbara Boxer and Senators David Vitter and Tom Carper unveiled the "Developing a Reliable and Innovative Vision for the Economy Act" (DRIVE Act).

The bill would provide \$278 billion in Highway Trust Fund contract authority over six fiscal years (FY 2016-2021). That averages out to about \$43 billion per year or an increase of three (3%) percent annually over the next six years over current level funding.

In general, the existing core highway program structure from MAP-21 is maintained, including: the National Highway Performance Program; the Highway Safety Improvement Program; the Surface Transportation Program; and the Congestion Mitigation and Air Quality Improvement Program. The Administration submitted its GROW AMERICA Act that would have provided \$478 billion over six years (or a 30% increase from current FY15 levels).

The Senate Environment & Public Works (EPW) Committee approved the bill by a unanimous roll call vote. However, the EPW Committee did not include a funding solution for the bill; this must be done by the Senate Finance Committee and House Ways & Means. Those two committees have still not reached a consensus on how to move forward. The current extension expires at the end of July. Congress is expected to pass another short term extension prior to the end of the month that could run through the end of the calendar year.

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 signed the 2015-16 budget and 19 trailer bills on Wednesday, using his line-item-veto power to strike only \$1.3 million in appropriations, the least in a budget since 1982. This tally does not include the veto of budget bill language that authorized Caltrans to spend \$15 million to bring the Tower Bridge into a state of good repair before relinquishing it to the Cities of Sacramento and West Sacramento.

The vetoes did not affect funding to the County.

Health and Human Services items that we reported on previously remain unchanged. Some of the larger pieces include:

- Establishment of a state earned income tax credit.
- \$40 million for the implementation of Medi-Cal coverage for undocumented children beginning May 1, 2016.
- \$245 million in Medi-Cal funding for eligibility determinations.
- Restoration of Medi-Cal rates for dental providers on July 1, 2015.
- A \$15 million augmentation to the CalWORKs Housing Support program.
- \$15 million for foster care parent and relative recruitment, retention and training.
- Restoration of the 7% In-Home Supportive Services reduction to work hours.
- \$235 million increase in the budget year and a \$265 million ongoing increase to early childhood education programs.
- \$10 million augmentation for dependency counsel serving foster youth.

Special Session on Health Care Financing

In lieu of addressing Medi-Cal provider rates and the Medi-Cal managed care organization (MCO) tax in the budget, the Governor called a special session to allow more time for discussion. He is proposing the Legislature establish ongoing funding of about \$1.1 billion to support the IHSS hour restoration and increases for Medi-Cal providers including developmental services. This special session may also include consideration of a tobacco tax increase as a funding source.

Transportation Special Session

The proclamation calling for a special session on transportation infrastructure focuses solely on infrastructure maintenance needs of state highways and local streets and roads, as well as trade corridor improvements.

To date, three bills have been introduced in the special session. This includes SBX1 1 (Beall), which is identical to SB 16 (Beall), ABX 1 1 (Alejo), which mirrors the contents of AB 227 (Alejo), and ABX 1 2 (Perea), which is similar to AB 1265, extending the authority of the CTC to enter into public-private-partnership contracts. All of the regular session bills remain in their house of origin, and reintroducing them in the special session provides another opportunity to move them forward.

In addition, the Assembly Republican Caucus unveiled its own transportation funding proposal. In keeping with the Senate Republican Caucus proposal, this plan does not include any tax or fee increases. The Assembly Republican proposal would direct \$6.6 billion toward transportation projects. The plan does not specify how these funds would be allocated, but allocates the following funds to transportation infrastructure projects:

- Direct 40% of cap & trade auction revenue, about \$1 billion annually, to transportation infrastructure projects.
- Return \$1 billion in truck weight fees back to transportation accounts.

- Direct half, about \$200 million annually, of the Governor’s capital investment funds to transportation projects.
- Implement the LAO’s audit calling for the elimination of 3,500 positions within Caltrans freeing up about \$500 million annually.
- Eliminate all vacant positions in state government and direct 25%, or about \$685 million per year, to transportation infrastructure projects.
- Dedicate \$1 billion annually in General Fund revenue to transportation infrastructure projects.

The Assembly Republicans also propose policy changes that would limit the ability to seek CEQA-related injunctions on transportation projects, repeal the sunset date on the CTC’s ability to approve public-private-partnerships, and to restore the CTC’s independence by moving it out from within the State Transportation Agency.

Affordable Housing & Sustainable Communities Awards: The Strategic Growth Council is scheduled to adopt tomorrow staff’s recommendations to award \$121.9 million to 28 projects. This includes 5 affordable housing projects in Alameda County for a total of \$13.27 million. This includes the following projects:

- 3706 San Pablo Avenue, City of Emeryville & Oakland -- \$5.5 million
- Civic Center 14 TOD Apartments, City of Oakland -- \$1.5 million
- Hayward Senior Apartments, City of Hayward -- \$2.18 million
- Central Commons, City of Fremont -- \$1.0 million
- Camino 23, City of Oakland -- \$3.06 million

Purpose:

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

Request for Legislation Position – Action Items

- i. **AB 50 (Mullin) Medi-Cal: Evidence-based Home Visiting Program**
Recommendation: Support if amended: Alex Briscoe, Director, Health Care Services Agency
- ii. **SB 33 (Hernandez) Medi-Cal: Estate Recovery**
Recommendation: Support: Alex Briscoe, Director, Health Care Services Agency

Purpose:

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- Other:

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

PUBLIC COMMENT

None.

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