

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

**Monday, September 11, 2017  
1:30 p.m.**

**Supervisor Keith Carson, Chair  
Supervisor Wilma Chan**

Location: **Board of Supervisors Chambers – Room 512 5<sup>th</sup> 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. However, the House will have a shortened week as votes have been delayed due to Hurricane Irma. The Senate will focus on the FY18 Defense Authorization this week while the House finishes debate on its FY18 omnibus appropriations bill.

**Emergency Supplemental/Debt Ceiling/CR**

Last week, President Trump reached a deal with Congressional Democrats to combine over \$15 billion in emergency relief funding for communities devastated by Hurricanes Harvey and Irma, a three-month extension of the debt ceiling, and a continuing resolution (CR) that is set to expire December 8. The Senate passed the package on a vote of 80-17 and the House passed the bill on a vote of 316-90.

Although Congress did include an extension of the National Flood Insurance Program in the package, it will need to address short-term extensions of the Children's Health Insurance Program (CHIP) and the Federal Aviation Administration programs before they expire on September 30, 2017.

**FY18 Appropriations Update**

The House is currently debating its eight remaining appropriations bills despite Congress passing a CR funding government agencies at current levels through December 8. House passage of all FY18 appropriations bills will put the House in a strong position to negotiate with the Senate in the fall as they try to pass a final omnibus bill in December. The Senate Appropriations Committee continues to mark up its bills with Labor HHS Education and State Foreign Operations being approved last week.

**DACA & Other Immigration Activity**

In 2012, President Obama announced a policy under which individuals brought to the U.S. under the age of 16 by their parents who have passed background checks, paid a fine, and gone to school or entered military service, would be eligible for "deferred action" on deportation and temporary work authorization - the Deferred Action for Childhood Arrivals ("DACA") program. Since then, nearly 800,000 young people came forward and received DACA status.

During the 2016 presidential campaign, then-candidate Trump vowed to revoke DACA on his first day in office, but did not do so after the Inauguration. A number of state Attorneys-General, led by Ken Paxton (TX), threatened the Administration with a lawsuit in Texas to block DACA if the White House did not terminate the program by September 5, 2017.

On September 5th, U.S. Attorney General Jeff Sessions announced that the DACA program would end six months from that date - March 5, 2018.

DACA recipients with work authorization expiring between September 5 and March 5 would be able to apply (by October 5) for a two-year extension of work authorization. No new applications for DACA status will be accepted.

On September 6th, the Attorneys-General from 15 states and the District of Columbia filed a lawsuit in Federal court in the Eastern District of New York to challenge the Administration's plan to end DACA, citing comments made by Mr. Trump during his campaign and time in office regarding Mexicans and Mexican-Americans. Last week, the UC system filed its own lawsuit against the Administration on this issue, and earlier today, Attorney-General Becerra filed a challenge to the Administration on DACA on behalf of California, Minnesota, Maryland, and Maine, noting that 1 in 4 DACA recipients lives in California.

The White House suggested that the six-month period would provide Congress an opportunity to pass a legislative replacement for DACA. Later in the day on September 5, President Trump tweeted that if Congress failed to act within that six-month period, he would "revisit" DACA. Speaker Ryan said today that "six months gives us the kind of time we need" to reach a legislative solution. Even before the August recess, there were a number of bipartisan bills in both chambers that would have created a statutory replacement for DACA. It remains to be seen whether those bills will be taken up as stand-alone measures or somehow combined into the December appropriations action.

The Senate Judiciary Committee has postponed the hearing related to DACA and other immigration programs indefinitely that was originally scheduled for Wednesday, September 13<sup>th</sup>.

On the House side, a bill to reform the temporary foreign agricultural visa program is likely to be introduced and marked up in the House Judiciary Committee in the coming days, and bills to make E-Verify mandatory and limit legal enforcement (companion to the Senate "RAISE Act") were introduced yesterday.

## **Health Care Update**

HELP Chairman Alexander wants to craft a stabilization deal by the end of this week because the Department of Health and Human Services has set a deadline of September 27 to give final approval to 2018 premium rates in the 39 states using the federal HealthCare.gov exchange. The Senate HELP Committee held two hearings last week with several Governors and state insurance commissioners. The Governors and insurance commissioners repeatedly pushed the need for some type of reinsurance program — which would send money directly to insurers, to offset the cost of their sickest and most expensive patients.

However, Chairman Alexander ruled out creating a federal reinsurance program because of the cost. He would rather loosen the ACA's existing set of regulatory waivers, allowing states to set up their own programs if they want. The beginning of a potential compromise package could be coming together: possibly two years of subsidies for Democrats, while Republicans would push for inclusion of expanded regulatory waivers for states, and more access to catastrophic plans. The Committee will hold two more hearings this week before any compromise package is introduced.

Tuesday, September 12: Stabilizing Premiums and Helping Individuals in the Individual Insurance Market for 2018: State Flexibility and Wednesday, September 13: Stabilizing Premiums and Helping Individuals in the Individual Insurance Market for 2018: Health Care Stakeholders.

### **Purpose:**

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

## Request for Legislation position – Action Item

i. **FY2018 Labor, Health and Human Services, and Education Appropriations Act**

*Recommendation: Oppose any authorizing legislation to eliminate the Social Services Block*

*Grant:* Lori A. Cox, Director, Social Services Agency

ii. **A Resolution Opposing the Rescission of the Deferred Action for Childhood Arrivals (DACA) Opposing the Rescission of the Deferred Action for Childhood Arrivals (DACA) Program and Calling for a Path to Citizenship for Undocumented Immigrants**

*Recommendation: Support:* Wilma Chan, District 3, Board of Supervisors, Scott Haggerty, District 1, Board of Supervisors, Rebecca Gebhart, Interim Director, Health Care Services Agency and Lori Cox, Director, Social Services Agency

**Purpose:**

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

## II. State Legislative Update – Brownstein Hyatt Farber Schreck

The Legislature is now in the final stretch before interim recess begins upon adjournment of session on September 15, 2017. The legislators are currently working to get their bills passed off of the floor and on to the Governor for signature. The Governor will then have until October 15, 2017 to sign or veto all bills sent to him by the Legislature.

### Update on County Sponsored Bills

AB 33, Alameda County's sponsored bill to transfer ownership of a portion of State Route 185 at East 14<sup>th</sup> Street and Mission Boulevard within unincorporated Alameda County is currently in engrossing and enrolling and will soon be sent to the Governor.

AB 435, (Thurmond), Alameda County's Child Care Pilot Program cleanup bill, is on the Senate Floor awaiting a vote.

ACR 108, (Bonta), Alameda County's "Food as Medicine" Resolution, is on the Senate floor on consent.

SB 703, (Skinner), Alameda County's bill to enable the County to impose a transactions and use tax at a rate of no more than 0.5% above the combined statutory rate limit of 2%, given voter approval, is currently on the Assembly Floor awaiting a vote.

### Housing Package

While a complete housing package has not yet materialized, three main components of the package that legislators are honing in on in an effort to address California's affordable housing crisis include: a real estate document fee to permanently fund affordable housing, through SB 2 (Atkins), a \$4 billion dollar housing bond, through SB 3 (Beall), and an attempt to streamline the planning process for multi-family housing projects through SB 35 (Weiner).

On August 28, 2017, Senate President pro Tempore Kevin de León and Assembly Speaker Anthony Rendon announced that an agreement had been made to provide a \$4 billion infusion of funding for affordable housing. The following day, SB 3 was amended to include the details of the deal reached. In addition to the \$3 billion previously included in the bill for affordable housing, SB 3 now includes an additional \$1 billion to extend the CalVet Home Loan program which expires in 2018.

## **Parks and Water Bond**

SB 5 (de León) has recently been amended to reflect the efforts of continuous negotiations between stakeholders, meaning the Legislature is getting closer to making a deal on a water and parks bond. If enacted, the measure would place on the ballot an act to issue nearly \$4 billion in bonds for parks, water recreation and wildlife conservation. The bond currently includes \$ 5 billion for the improvement of county fairgrounds.

## **Cap and Trade Expenditure Plan**

The Department of Finance (DOF) released its \$1.5billion proposed 2017-18 Cap and Trade Expenditure Plan, which will be placed in a budget trailer bill. Negotiations on the plan are continuing. Below is a brief overview of the DOF's proposal:

- AB 617 Implementation - \$350 million
- Low Carbon Transportation - \$607.5 million
- Sustainable Agriculture - \$170 million
- Sustainable Forests - \$305 million
- Waste Diversion - \$40 million
- Clean Energy - \$5 million
- Energy Efficiency - \$20 million
- Research and Development - \$2.5 million

## **Proposed Water Tax**

On August 21, 2017, SB 623 (Monning) was gutted and amended to establish a public goods charge on water to create an ongoing funding stream for safe and affordable drinking water. Funding will come from a fertilizer mill fee, a safe drinking water fee on dairies and a new fee assessed monthly on water bills. SB 623 is expected to generate about \$110 million per year. The proposal, if passed, would have imposed a tax of \$0.95 per month on monthly water bills for each person that purchases water from a public system – the first ever tax on drinking water in California. On September 1, 2017, the bill was sent to Assembly Rules and is now a two-year bill.

## **Cap and Trade Auction**

On August 22, 2017, the Air Resources Board presented the results from the August Cap and Trade Auction, the first auction since the passage of the extension of the Cap and Trade program through 2030. The auction was the most successful of the past five years, with businesses purchasing \$935 million in carbon credits; \$640 million of which will be deposited into the Greenhouse Gas Reduction Fund.

## **Universal Healthcare in California**

In June, Senator Ricardo Lara was leading an effort to guarantee health care coverage for all Californians without out-of-pocket costs by replacing private insurance companies with a government-run system, with his bill SB 562. The plan was estimated to cost the state \$400 billion. However on June 23, 2017, Assembly Speaker Anthony Rendon announced that he would stop the bill from moving forward, on the grounds that it was underdeveloped, had no funding attached and no service delivery mechanism.

On August 24, 2017, after receiving pressure from the supporters of universal healthcare, Assembly Speaker Anthony Rendon called upon the Chairs of the Assembly Select Committee on Health Care Delivery Systems and Universal Coverage to begin holding hearings and developing new plans for achieving universal healthcare in California. Stressing the urgency of the matter, Speaker Rendon stated that “it’s not a question of debating whether we move toward health care for all – it’s a matter of choosing how best and how soon.”

The committee, co-chaired by Assemblymembers Dr. Joaquin Arambula and Dr. Jim Wood, is expected to meet during the interim recess, which begins September 15, 2017. The first hearing date has not been set.

## **Sanctuary Cities**

On August 14, 2017, Attorney General Xavier Becerra filed a lawsuit against the Trump Administration for unlawfully imposing new grant conditions targeted at sanctuary cities. In July, the U.S. Department of Justice placed new immigration enforcement conditions on specific public safety grants for law enforcement, putting California at risk of losing more than \$28 million in federal funds for programs that support law enforcement, prevent recidivism, assist witnesses and victims of crime and help at-risk youth.

Stressing the far reaching impacts of President Trump's Executive Order, Becerra stated that "by placing unconstitutional immigration enforcement conditions on public safety grants, the Trump Administration is threatening to harm a range of law enforcement initiatives across California."

## **IHSS MOE Methodology**

Governor Brown's proposed 2017-18 budget in January, proposed to end the Coordinated Care Initiative, dismantling the In-Home Supportive Services (IHSS) Maintenance of Effort (MOE). As such, counties stood to face a significant cost shift of nearly \$600 million to operate local IHSS programs. The Governor's May Revise proposed to provide \$400 million General Fund assistance for counties over the next four years, to help offset costs. The May Revise IHSS agreement, signed into law on June 27, 2017, specified that the California State Association of Counties (CSAC) and the Department of Finance will work together to implement the County IHSS MOE.

On September 7, 2017, the CSAC Board of Directors unanimously approved the IHSS MOE methodology. The methodology will determine how additional IHSS costs of offset revenue will be distributed among California counties. The approved methodology will now be presented to the Governor's administration.

## **SB 1 Funding and Project Lists**

The first of the transportation funding generated by SB 1 will be dispersed to cities and counties in early 2018. As such, the California Transportation Commission (CTC) will be collecting project lists until compiled a toolkit to assist local governments in announcing their projects and sharing vital information with residents within the community. The toolkit includes sample press releases, ordinances, talking points and more. The CTC is expected to release a template project list in the coming weeks, though a date has not been confirmed. Cities and Counties should continue to compile project lists in a timely manner.

## **Community Development Block Grant Funding Available**

The Department of Housing and Economic Development released its 2017 Notice of Funding Availability for the Community Development Block Grant Program, which provides assistance to cities and counties for community and economic development activities. There is \$22.9 million available for community development and \$10.5 million available for economic development. Applications are due on December 1, 2017.

## **State Controller's July Cash Report**

The State Controller reports July revenues of \$6.09 billion, excluding projections in the state budget by \$18.8 million, or 3.2%, a positive start to the 2017-18 fiscal year. The State Controller also reports July 2017 revenues being \$667.9 million higher than revenues in July 2016.

### **Purpose:**

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## **PUBLIC COMMENT**

None.

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