

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

**Monday, July 26, 2021
1:30 p.m.**

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

**Location: County Administration Building Room 255
1221 Oak Street, 2nd floor
Oakland, CA 94612**

Summary/Action Minutes

I. Federal Legislative Update – CJ Lake

Schedule

Both the House and Senate are in session this week. The House is scheduled to adjourn on Friday for the August recess while the Senate is scheduled to remain in session through the first week of August.

Appropriations

Last Friday, the House Appropriations Committee approved their final two FY22 appropriations bills: Energy-Water and Transportation-HUD. This week, the House will take up a 7-bill appropriations package consisting of the Agriculture, Energy-Water, Financial Services, Interior-Environment, Labor-HHS-Education, Military Construction-VA and Transportation-HUD bills. If the House approves the seven-bill package, it will head to the Senate where appropriators have yet to schedule markups.

Five bills remain, Legislative Branch, Homeland, Defense, Commerce, Justice and Science, and State and Foreign Operations, without a declared timeline for consideration on the House floor. It is possible that Legislative Branch, CJS, and SFOPS could also be brought up this week, leaving just Defense and Homeland. The Senate has yet to release the texts of their appropriations bills or agree on top-line numbers for FY22.

Bipartisan Infrastructure Framework

Last week, the Senate held a procedural vote on the Bipartisan Infrastructure Framework. The move was meant to put pressure on negotiators to finalize text. The vote failed by a party line vote but has the option of being brought back up by the Majority Leader for reconsideration.

The bipartisan group negotiated the remaining items through the weekend over the remaining sticking points including transit funding, water funding, broadband, Davis-Bacon and pay-fors, but a deal has yet to be reached. Last night, Democratic leaders and the White House transmitted a “global offer” meant to resolve the outstanding issues with Republicans, which Republicans rejected this morning.

One of the pay-fors discussed would divert unspent COVID relief money allocated to the Provider Relief Fund to infrastructure spending, though this has received significant criticism from health care stakeholders. According to the Government Accountability Office (GAO), as of May 31, 2021, about 25% of PRF appropriations remained unobligated (\$43.7 billion of \$178 billion), and the Health Resources and Services Administration (HRSA) has not provided time frames for obligating this balance.

Budget Resolution/Reconciliation

Senator Bernie Sanders, Chair of the Senate Budget Committee, stated last week that he had yet to secure support from 50 Democratic senators on his \$3.5 trillion budget resolution. Majority Leader Schumer previously set a Wednesday deadline for an agreement on the topline spending levels of the budget deal.

Senate leaders will have to satisfy every member to secure their support for the budget before it is brought to the floor. It will then have to pass the House by a similarly narrow majority before reaching the President's desk. House Speaker Nancy Pelosi reiterated this morning that the House won't act on the Senate's bipartisan infrastructure plan or a budget resolution until the Senate also passes a reconciliation bill.

The budget plan contains a bevy of new social benefits, such as universal pre-K; two free years of community college; Medicare coverage of dental, vision and hearing care; and boosted child tax credits. It would impose new energy standards on utilities, and grant unions new rights—all financed by the largest corporate and individual tax increases in decades, a carbon tariff and cuts to the prices Medicare pays for drugs.

There is word that the reconciliation bill would also include a pathway to citizenship for as many as 8 million undocumented immigrants by directing the Judiciary Committee to provide \$120 billion for a new immigration program. Of the 8 million immigrants included in this new program, 3 million would be Dreamers, migrant workers, and some with “temporary protected status”. Another 5 million would be “essential workers” who have yet to be defined.

Debt Ceiling

The Treasury Department announced last week that the US will reach the debt ceiling in October or November unless Congress acts to raise or suspend the debt ceiling.

Two years ago, Congress struck a budget deal that suspended the debt ceiling through July 31 of this year. This is not a hard deadline to lift or suspend the debt ceiling because the Treasury Department is authorized to use “extraordinary measures” to continue to borrow money without explicit Congressional authority while Congress figures out a solution. Some in the Treasury Department have expressed concern that those measures could expire sooner than anticipated.

Congressional Democrats have not yet landed on a strategy to lift the debt limit and Senate Republicans warned on Wednesday that there's no appetite in their conference to raise the ceiling while Democrats pass a second budget reconciliation bill with additional spending.

Operationally, Democrats could incorporate a debt ceiling deal in the Bipartisan Infrastructure Framework, and work with at least 10 Senate Republicans to suspend the debt limit, or they could use the budget reconciliation process to raise the \$28 trillion debt without GOP support. Both options present their own internal and external political difficulties for the Majority and it is expected that Republican will use this opportunity as leverage to prune back much of the spending passed by President Biden in exchange for their support for lifting or suspending the debt ceiling.

The government currently has more than \$28 trillion in debt subject to the limit, and it is expected to pay \$300 billion in interest on this debt in 2021, according to CBO.

Purpose:

- ☐ Report progress
- ☐ Advocacy or Education
- ☐ Request PAL Committee Recommendation or Position
- ☒ **Other: Federal Update**

This item was informational only and required no Committee action.

II. State Legislative Update – Political Solutions

The legislature is currently on their summer recess until August 16, 2021.

Governor Gavin Newsom

Governor Gavin Newsom joined by California Health & Human Services Agency Secretary Mark Ghaly, Oakland Mayor Libby Schaaf, Assemblymember Buffy Wicks and Senator Nancy Skinner, promoted the administration's latest efforts to encourage more Californians to get vaccinated against COVID-19 amid the growing threat of the faster-spreading Delta variant and the state's continuing strategies to reach communities with low vaccination rates.

Governor Newsom shared the state is currently monitoring case, hospitalization, and death rates, which are surging as a result of those who choose to remain unvaccinated, while also acknowledging California does currently enjoy the highest Covid vaccination rate in the country. As a result of the surge in recent cases due, Newsom announced proof of vaccination or weekly testing will now be required for both state employees and health care workers in California.

Alameda County Sponsored Bills

- AB 368 (Bonta) Food prescriptions. Status: Held in Assembly Appropriations Committee
- AB 1294 (Quirk) Child Care Pilot Permanency. Status: Senate Appropriations – August 16th, included in the Legislature's budget
- AB 924 (Wicks) Alameda Health System: hospital authority. Status: Has been turned into a 2-year bill at the request of the County

Key Dates and Deadlines

- Summer Recess begins upon adjournment – July 16-August 13, 2021
- Legislature returns on August 16, 2021
- Appropriations Committee Deadline – August 27, 2021
- Assembly/Senate Floor Session Only – August 30- September 10, 2021
- Last Day to Amend Bills on Either Floor – September 3, 2021
- Floor Passage Deadline – September 10, 2021
- Governor Newsom Recall Election – September 14, 2021
- Governor's Sign/Veto Deadline – October 10, 2021

Purpose:

- ☐ Report progress
- ☐ Advocacy or Education
- ☐ Request PAL_Committee Recommendation or Position
- ☒ **Other: State update**

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PUBLIC COMMENT

None.

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