Summary/Action Minutes

I. Federal Legislative Update – CJ Lake

The Senate is in recess this week while the House will return tomorrow. The House will take up the supplemental appropriations bill to provide $29 billion in funding to FEMA for recovery after Hurricanes Harvey, Irma and Maria and to pay for flood insurance claims.

FY18 Budget and Tax Reform

The full House approved its FY18 budget resolution by a vote of 219-206 with 18 Republicans voting against and no Democrats supporting. Passage of the budget resolution is the first step in order to move towards passage of a tax reform package. The House and Senate resolutions are very different and House Republicans have acknowledged they will likely need to accept the Senate language with no mandatory cuts since the Republican majority in the Senate is much smaller than in the House. The House budget resolution calls for over $200 billion in cuts to mandatory spending. The other big difference between the two resolutions is that the Senate resolution includes reconciliation instructions that allow the Senate Finance Committee to add up to $1.5 trillion to the deficit over the next 10 years, while the House budget would require a tax plan that does not add to the deficit.

The Senate Budget Committee approved its FY18 budget resolution on Thursday by a party-line vote. The earliest the Senate will take its resolution to the floor is the week of October 16, since the Senate is in recess this week. It would be subject to up to 50 hours of debate and a vote-a-rama. The House and Senate are hoping to reach an agreement that would set the parameters for tax reform before the end of October.

The White House released its framework for tax reform two weeks ago. The one issue area that some Congressional Republicans have already objected to is the elimination of the State and Local Tax (SALT) deduction. Members are already working on a deal to address SALT.

Immigration

The Senate Judiciary Committee held a hearing on Tuesday to provide oversight on the Trump Administration’s decision to end the Deferred Action for Childhood Arrivals (DACA) program. The Committee heard testimony from two panels of witnesses to include both Administration officials and non-governmental representatives. The focus of the hearing was on how Congress could work toward a solution for the DACA program and provide a path to citizenship for DACA recipients. Republicans and Democrats agree that a legislative fix is necessary, but Chairman Chuck Grassley said that any potential deal on DACA must include provisions on border security, interior enforcement and possibly an E-Verify program.

The House Judiciary Committee postponed indefinitely a hearing scheduled for Wednesday, October 4, on a mandatory E-Verify bill and Chairman Goodlatte’s AG Act to address temporary non-immigrant visa workers in agricultural occupations and current undocumented workers in those jobs.
The window to renew work authorization for DACA recipients with work authorization expiring between September 5, 2017 and March 5, 2018 has officially closed. While there isn’t a final number, the most recent estimates the day prior to the closure suggests that only 70% of the approximately 154,000 recipients in that group filed the necessary paperwork for renewal. Proposals to extend the deadline to January 6, 2018 because of hurricanes in Texas and Florida and the date falling mid-semester for current college students were rejected by the Administration.

Consensus at the Senate Judiciary Committee was in support of DACA recipients being protected and obtaining some legal status (and among the public, in general, for which this issue polls at approximately 90% approval). The questions, as always, are with the length of the path to citizenship and the border security/interior enforcement trade-offs for providing that legal status. In addition to the DREAM Act and last week’s SUCCEED Act, Senator Jeff Flake introduced the Border Security and Deferred Action Recipient Relief Act. His bill would have a 10-year period of “conditional permanent residence” for current DACA recipients (compared with a 15-year period in the SUCCEED Act), after which applicants would get “lawful permanent residence” or LPR status, with the ability under both bills to obtain citizenship five years later. Unlike the SUCCEED Act, Sen. Flake’s bill includes specific border security proposals, such as $1.6 billion in funding for border access roads and hiring of additional ICE Agents for interior enforcement. Proposals like that have met with early disapproval among the DREAMer community and many Democrats.

The White House is also released a set of principles conditioning DACA protection to future restrictions on legal immigration - basically incorporating the provisions of the RAISE Act proposed last month by Senator Tom Cotton, which would limit “lower-skilled” and family-based immigration levels. It also includes construction of a border wall and includes specific language to cut funds to sanctuary cities, well beyond the 1373 requirements, curbs on federal grants to “sanctuary cities.”

**Health Care**

President Trump is expected to issue an Executive Order (EO) later this week related to the Affordable Care Act to include the following:

- Direct federal agencies to expand access to association health plans, which would be exempt from many of the ACA’s coverage requirements.
- Expand access to short-term health plans, which also cover a more limited set of benefits, with a lower premium. President Obama limited those plans to 90 days; Trump will likely allow people to buy them for up to a year.
- Allow consumers to use tax-preferred health savings accounts to pay their premiums. The fear — among Democrats as well as insurance companies — is that those healthier consumers would choose these new plans and leave only sicker, more expensive consumers buying comprehensive coverage through the ACA’s exchanges.

While the EO could exempt association health plans from some federal and state rules that Republicans say drive up costs, the president could not unilaterally change the laws that regulate insurance, such as the Affordable Care Act of 2010 and the Employee Retirement Income Security Act of 1974, the foundation for employee health benefits. But, officials said, he can direct federal agencies to reinterpret key provisions of those laws and to revise rules issued under them.

**CHIP Authorization**

Both the House Committee on Energy and Commerce and Senate Committee on Finance held markups of their CHIP bills on October 4, in the hopes Congress will pass an authorization in the coming weeks. Congress will need to pass an authorization prior to the second quarter of FY18 when more than half of states are projected to exhaust all remaining CHIP funding.

The House Energy and Commerce Committee approved legislation to extend funding for the Children’s Health Insurance Program (CHIP) for five years. The Committee advanced the legislation on a party-line vote, 28-23. The legislation mirrors the bipartisan agreement reached by the Senate Finance Committee last month to continue funding through FY22.
The bill would begin to wind down the ACA’s 23 percent increase in federal matching funds to states in two years, and make small changes to the law’s "maintenance of effort" requirements that prevented states from reducing eligibility for the program.

House Republicans proposed to pay for the CHIP legislation by increasing means-testing in Medicare for wealthier seniors, allowing states to remove lottery winners from state Medicaid programs and change Medicaid’s third-party liability policy, which dictates who pays claims for enrollees before Medicaid is responsible for costs. Those pay-fors drew objections from Democrats and is the reason the bill was voted out on a party-line vote. The Senate Finance Committee did not include any offsets in its CHIP bill. Pay-fors will need to be worked out before the full House and full Senate take up the bills.

**Criminal Justice Reform**

Senators Chuck Grassley and Dick Durbin reintroduced a bill aimed at reforming the criminal justice system and sentencing laws. The Sentencing Reform and Corrections Act (S. 1917) of 2017 aims at easing sentences for some non-violent offenders while increasing penalties for other "tough-on-crime" laws. A coalition of senators are supporting the bill, including Republican Senators Mike Lee, Lindsey Graham, Tim Scott, Jeff Flake, Roy Blunt, and Democratic Senators Dianne Feinstein, Sheldon Whitehouse, Patrick Leahy and Cory Booker. Along with the bipartisan support, Senior Advisor to President Trump, Jared Kushner, has been meeting privately with senators to discuss criminal justice legislation. Senator Grassley did not provide a timeline of when the legislation may be marked up.

At this point, there will still be opposition from Attorney General Jeff Sessions and conservative Senator Tom Cotton, but because the bill has such bipartisan support, movement on the legislation could occur.

**Purpose:**

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

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

The Legislature is in interim recess and will return in January. The Governor has several bills to attend to with the deadline to sign or veto bills is on Sunday, October 15, 2017.

Following the traffic mass shooting that occurred on October 1, 2017, in Las Vegas, NV, Governor Brown issued the following statement: “Our prayers and deepest sympathies are with the families and loved ones of those killed and injured in last night’s tragic and senseless shooting and we stand with the people of Nevada in this difficult time.” In Sacramento, Capitol flags were flown at half-staff in recognition of the victims and their families.

Last year, the Legislature passed and the Governor signed a sweeping package of gun control bills which set California on a path to some of the most strict gun laws in the United States. In a statement following the Las Vegas shooting, Senate President pro Tempore Kevin de León said that he hoped federal leadership would finally follow California’s lead and get serious about gun control.

While the majority of California’s gun control laws have already taken effect, there are currently six (6) new gun control measures on the Governor’s desk awaiting action:

AB 7 (Gipson): Applies a ban on the open-carry of guns other than handguns, such as rifles or shotguns, to unincorporated areas.

AB 1525 (Baker): Requires updated signs and warnings to accompany firearm purchases at licensed firearm dealers and after safety trainings.

AB 785 (Jones-Sawyer): Prevents those convicted of hate crimes from owning a firearm for 10 years.
AB 424 (McCarty): Bans firearms on school grounds, removing the ability of school officials to grant exemptions

SB 464 (Hill): Requires gun store owners to choose between several options to lock up firearms.

SB 536 (Pan): Makes information about gun violence restraining orders available to the UC Firearm Violence Research Center.

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 Blvd. within unincorporated Alameda County, was signed by the Governor on September 28, 2017. The bill’s provisions will become effective on January 1, 2018.

AB 435 (Thurmond) Alameda County’s Child Care Pilot Program cleanup bill is currently on the Governor’s desk awaiting action.

ACR 108 (Bonta) Alameda County’s “Food as Medicine” Resolution was adopted by both houses and is now chaptered.

SN 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% is currently on the Governor’s desk awaiting action.

Housing & Community Development Infill Infrastructure Grant Program

The Department of Housing and Community Development (HCD) recently announced the availability of approximately $50 million in funding for the Infill Infrastructure Grant Program, funding round 5. The purpose of the program is to provide grants for Capital Improvement Projects, in support of Qualifying Infill Projects (QIP) as gap funding of infrastructure improvements that are an integral part of developing new infill housing.

Eligibility to apply for the funding is as follows: 1) The non-profit or for-profit developer of the QIP is required to be the applicant, either by itself or as a joint applicant with a locality or public housing authority with jurisdiction over the area in which the QIP is located; 2) Public agencies are not eligible as sole applicants for QIPs; 3) Transit districts, regional planning agencies, and joint powers authorities are not eligible joint Applicants, except that joint powers authorities comprised entirely of eligible applicants are eligible, jointly with the developer of the QIP, where the authority granted to the joint powers authority encompasses the activities necessary to comply with the requirements of the program.

Public Policy Institute of California Statewide Survey – Californians and Housing Affordability

A recent statewide survey conducted in September 2017 by the Public Policy Institute of California (PPIC) examining housing affordability in California though the lenses of state residents, showed some overarching trends that are worth noting. Most strikingly the survey showed that one in three residents are seriously considering moving out of state because of increasing housing costs. Additionally 47% of Californians said that housing places financial strain on themselves and their families.

SB 3 (Beall), signed by the Governor on September 29, 2017, will place a $4 billion veterans and affordable housing bond on the November 2018 ballot. The survey showed overwhelming support for an affordable housing bond – 70% of adults and 57% of likely voters said they would vote for a state bond measure to pay for affordable housing projects.

Short-lived Climate Pollutants

SB 1383 (Lara) of 2016 establishes methane emissions reduction targets to reduce short-lived climate pollutants by way of reducing the levels of disposal organic waste that ends up in landfills.
This measure builds upon existing state commitments to reduce greenhouse gas emissions and air pollution statewide. It is expected that implementation of the measure will require substantial organics management infrastructure improvements and financing.

In preparation of expected 2018 rule making, CalRecycle will be hosting two upcoming stakeholder workshops regarding the emissions targets set forth by SB 1383. The first workshop is in Sacramento on October 30, 2017. The second workshop is on November 2, 2017, in Southern California.

**Board of State and Community Corrections In-Person Regulations Released**

The Board of State and Community Corrections (BSCC) has released modified regulations for Local Detention Facilities to address minor changes to the in-person visitation rules for county jails. The regulations remain non-applicable to any facility which, prior to January 1, 2017, exclusively used video visitation or was designed without in-person visitation space in the initial architectural planning that had been submitted to the Board. The BSCC will be accepting public comment on the proposed modifications through October 14, 2017.

**Joint Hearing on California’s Homeless Youth**

On October 10, 2017, at 1:30 p.m. the Senate Human Services and Assembly Human Services Committees will hold a joint informational hearing exploring the topic of California’s homeless youth and averting long-term crisis. Chair of the Senate Human Services Committee, Senator Scott Weiner, introduced SCR 76 earlier this year, which declares November 2017 as California Runaway and Homeless Youth Prevention Month. The resolution states that an estimated 200,000 youth under the age of 18 and thousands more who are 18 to 24 are homeless for one or more days each year in California.

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

**PUBLIC COMMENT**

None.

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