Summary/Action Minutes

I. Federal Legislative Update – CJ Lake

The federal government is currently shutdown. Earlier today, Senate leaders negotiated a deal to ensure the government reopens while committing to address issues including, a DACA fix, CHIP authorization, disaster relief, and a budget deal.

Appropriations/Budget

A three-day government shutdown began early Saturday morning after Democrats voted to block a month-long, House-passed continuing resolution that extended funding for the Children’s Health Insurance Program for six years and delayed some key taxes from the Affordable Care Act. Democrats opposed the House-passed CR because it did not provide adequate protection for DREAMers. However, negotiations continued throughout the weekend and a bipartisan group of Senators worked out a deal that would provide a CR through February 8th.

Earlier today, the Senate advanced a procedural motion on a vote of 81-18 that would provide funding for the federal government through February 8. (16 Democrats including Sens. Feinstein and Harris and 2 Republicans voted against). The deal also includes a 6-year reauthorization of the Children’s Health Insurance Program (CHIP) and it would also delay the Affordable Care Act’s medical device and Cadillac taxes for two years and its health insurance tax for one year.

Alongside the commitment to reopen the government, Majority Leader McConnell assured Democrats that the Senate would continue negotiations on spending, a legislative fix for DREAMers and border security, as well as disaster funding. He went further to say if a deal isn’t reached prior to February 8 on a solution for DREAMers, the Senate would immediately move to legislation on DACA and border security.

The final vote in the Senate was 81-18 (the same as the procedural vote from earlier today). The House subsequently passed the CR on a vote of 266-150.

Purpose:
□ Report progress
□ Advocacy or Education
□ Request PAL Committee Recommendation or Position
☒ Other: Federal legislative update

II. State Legislative Update – Brownstein Hyatt Farber Schreck

On January 10, 2018, meeting his constitutional deadline, the Governor released his proposed 2018-19 budget.
Using the $3.5 billion budget surplus in the state’s possession, Governor Brown proposes to fully fund the state’s rainy day fund two years ahead of schedule. This is not a surprising proposal, as Governor Brown has historically prioritized fiscal restraint over increased spending. Senate and Assembly Democratic Leadership commended the Governor’s commitment to fiscal prudence and debt reduction while leaving the door open to negotiations prior to the deadline to enact the 2018-19 budget on June 15, 2018.

In May, the Governor will release his revision to the January 10th proposal, which will take into account, among other things, federal actions related to the extension of the Children’s Health Insurance Program (CHIP), any cost shifts for federal entitlement programs and adjustments under the recently adopted tax overhaul.

A few high notes in the Governor’s budget include increased spending on health and human services with more support going directly to counties for services, additional funding for affordable housing creation throughout the state, an all-time high spending for K-12 education with an increase in per pupil spending, increased funding at the county level to assist with various initiatives including the maintenance and equalization of property tax rolls and upgrading county election systems, and substantial funding increase for the state’s infrastructure plan – most of which is dedicated to the state’s transportation system.

Over the coming months, as budget negotiations begin to take place, we will get a clearer sense of the Legislature’s response to the Governor’s proposed budget and how they plan to shape it before June. In the meantime, the Legislature will be working diligently on introducing bills prior to their February 16 deadline. The Governor will deliver his last State of the State address this Thursday, January 25, 2018.

Department of Transportation Planning Grants Available

The Department of Transportation recently announced the availability of $40.8 million for its second round of adaptation planning grants for transportation planning projects. The deadline to apply is February 23, 2018. The funding is broken down into three categories, outlined below:

- **Sustainable Communities Grants ($29.5 million)** to encourage local and regional planning that furthers state goals, including, but not limited to, the goals and best practices cited in the Regional Transportation Plan Guidelines adopted by the California Transportation Commission.
- **Strategic Partnerships Grants ($4.3 million)** to identify and address statewide, interregional, or regional transportation deficiencies on the State highway system in partnership with Caltrans. New for FY 2018-19 is a transit component that will fund planning projects that address multimodal transportation deficiencies with a focus on transit.
- **Adaptation Planning Grants ($7 million)** to support planning actions at local and regional levels that advance climate change efforts on the transportation system.

Climate-Safe Infrastructure Working Group

In July 2017, California Natural Resources Secretary John Laird announced the appointment of 14 individuals to the Climate-Safe Infrastructure Work Group, which was created by AB 2800 in 2016 with a goal of integrating scientific data on projected climate change impacts into the state’s infrastructure engineering. The Working Group will hold its first meeting on January 18 in Sacramento. The working group is tasked with investigating the following: current barriers to projected climate change impacts integration into state infrastructure design; critical information that engineers responsible for infrastructure design and construction need to address climate change impacts; and how to select an appropriate engineering design for future climate scenarios, related to infrastructure planning and investment.

PPIC Report: California’s Future

The PPIC released a report entitled “California’s Future” which examines the state’s most pressing long-term policy challenges in key areas such as climate change, health care, corrections, the economy, housing, the social safety net and more. Some of the highlights from the report, from various subject areas are as follows:
• The state is increasing its reliance on cleaner energy and a statewide cap-and-trade program bring flexibility to GHG emission reduction efforts.
• California has reversed its long-term incarceration trend.
• California’s economy is strong but persistent disparities in income could affect long-term growth.
• Federal health policy has California exploring numerous state options.
• Housing remains expensive for the majority of Californians – housing is especially unaffordable in coastal areas where 2/3 of Californians live.

NACo Webinar

On Thursday, January 25, the National Association of Counties (NACo) will be hosting a webinar titled “County Roles and Opportunities in Advancing Safety and Justice through Collaboration to Counties.” The webinar will be the first of three in a series focused on key areas of local criminal justice systems and strategic discussions to address ongoing issues in order to make systems more effective and efficient.

State Controller’s December Cash Report

The State Controller reports total revenues of $16.25 billion for December, $2.79 billion above June’s budget expectations. Following Governor Brown’s proposed 2018-19 budget, the State Controller commended the Governor for exercising caution through short-term spending, boosting the state’s rainy day fund and paying down debt.

Purpose:
☐ Report progress
☐ Advocacy or Education
☐ Request PAL Committee Recommendation or Position
☒ Other: State Update

Request for Legislation position – Action Item

i. (Skinner) Transactions and use taxes: County of Alameda
   Recommendation: Sponsor and Support: Wilma Chan, President, Board of Supervisors, District

Purpose:
☐ Report progress
☐ Advocacy or Education
☒ Request PAL Committee Recommendation or Position
☐ 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/