Staff briefing

I. Federal Legislative Update

The House and Senate are both in session this week. The House will vote on a number of bills this week including two Senate-passed bills on Ukraine and legislation requiring the Congressional Budget Office to produce macroeconomic impact analysts for committee-reported legislation. The Senate is scheduled to vote today on a bill to prevent Medicare payment cuts to doctors that would go into effect at midnight. In addition, the Senate also plans to resume work on the long-term unemployment insurance bill and could possibly vote on a measure to raise the minimum wage by the end of this week.

Unemployment Insurance Extension

The Senate will have a procedural vote today to move forward with the unemployment insurance bill. According to Senate Democrats, a voice vote is possible meaning that the legislation could move through rather quickly. Regardless, Speaker Boehner has stated a number of times that the House will not bring the Senate-passed unemployment insurance bill to a vote because it does not address job creation.

Minimum Wage

The Senate may vote on legislation to raise the minimum wage to $10.10 an hour over two years. The bill is part of the Democrats’ legislative agenda to focus on economic issues during an election year. The federal minimum wage would be 10 cents higher than the California state minimum wage two years after enactment.

California's Minimum wage is currently $8 an hour, beginning July 1, 2014 it will be $9 an hour and beginning January 1, 2016 it will be $10 an hour.

The current federal minimum wage is $7.25 an hour. If this legislation were enacted, the federal minimum wage would increase by the following increments:
- $8.25 an hour on the first day of the sixth month after the bill's enactment
- $9.15 an hour after one year of enactment
- $10.10 an hour after two years of enactment

FY15 Appropriations Hearings

Some noteworthy House and Senate Appropriations hearings taking place this week include:

Wednesday, April 2nd
• The Senate Appropriations Transportation, Housing and Urban Development, and Related Agencies Subcommittee hearing on the proposed budget estimates for FY15 for the Housing and Urban Development Department.

• The House Appropriations Transportation, Housing and Urban Development, and Related Agencies Subcommittee oversight hearing on public housing.

Thursday, April 3rd
• The Senate Appropriations Commerce, Justice, Science, and Related Agencies Subcommittee hearing on the FY15 Justice Department budget

• The House Appropriations Transportation, Housing and Urban Development, and Related Agencies Subcommittee oversight hearing on the various Department of Transportation Modes.

Friday, April 4th
• The House Appropriations Commerce, Justice, Science, and Related Agencies Subcommittee hearing on the FY15 Justice Department budget.

House FY15 Budget Resolution

House Budget Committee Chairman Paul Ryan will release his FY15 budget resolution tomorrow. The House Budget Committee plans to mark up the legislation on Wednesday and will vote on the bill next week. Although some House Republicans are opposed to passing a budget resolution given the bipartisan budget agreement in December 2013, House Republican leadership is insisting the House take a vote on the resolution. The agreement will maintain the FY15 spending limit set by the bipartisan agreement, but will decrease spending in future fiscal years in order to lower the U.S. debt.

Tax extenders

Senate Finance Committee Chairman Ron Wyden will release a joint statement with Ranking Member Orrin Hatch on legislation that would address the nearly 60 expired tax benefits, credits, and incentives from last year. It is uncertain how many tax benefits will be revived. Ranking Member Hatch said the legislation would cut approximately twenty programs, although no details have been released.

Transportation reauthorization

The House and Senate continue to work on drafting a transportation authorization bill and the Obama administration plans to on release its own bill for Congress to consider in April.

Purpose:

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

II. State Legislative Update

On Friday, March 28, 2014, the Senate voted to suspend the three lawmakers who have been embroiled in legal matters. Senator Leland Yee from San Francisco was indicted last week on gun trafficking charges.

On the Senate floor on Friday, March 28, 2014, Senate Pro Tem Steinberg delayed a vote on suspending Senator Ron Calderon and Senator Rod Wright for several weeks after. The lawmakers will receive pay during their suspension, although Steinberg is attempting to introduce a constitutional amendment to allow the Legislature the power to hold suspended lawmaker’s pay.
Senate Budget Subcommittee #4 on Local Government Finance

Last week, Senate Sub 4 held a primarily informational hearing on several local government funding programs. In particular, the Committee reviewed the Governor’s proposal on reforming the use of Infrastructure Financing Districts (IFDs). IFDs are a form of tax increment financing.

With the demise of redevelopment financing, IFDs have been seen as a possible replacement for financing local economic development projects. Overall, the Committee agreed with the LAO’s position that stringent auditing should be in place, but it should not be overseen by the Department of Finance. Concerns were expressed about the conditions the Governor’s proposal would impose before a local government is eligible to create an IFD, including having received a finding of completion in the RDA dissolution process, compliance with all the State Controller’s audit findings, and not having any outstanding RDA related lawsuits.

SB 1014 (Jackson) Pharmaceutical Disposal

Alameda County-sponsored SB 1014 was heard in the Senate Environmental Quality Committee on Wednesday, March 26, 2014. The measure is modeled after the County’s safe pharmaceutical disposal ordinance. Representatives from pharmaceutical manufacturers expressed to the committee that pharmacies and possibly other entities should be written into the legislation to share responsibility in the disposal of unused medication. The Senate Business and Professions Committee will hear the measure on April 21, 2014.

AB 2369 (Bonta) Professional Licenses

This measure is also sponsored by Alameda County and will go to the Assembly Businesses, Professions, and Consumer Protections Committee in April. The bill would prevent licensing boards under the Department of Consumer Affairs from considering dismissed criminal records when determining whether to license someone for a profession. The intent of the measure is to help individuals to obtain living wage careers after they have served their sentence promoting rehabilitation.

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

Request for Legislation Position – Action Items

There was no Committee member in attendance and therefore no action was taken on requests for legislative positions.

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

PUBLIC COMMENT: None.