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

Monday, April 14, 2025 1:30 p.m.

Supervisor Lena Tam, Chair Supervisor Nikki Fortunato Bas Location: **Board of Supervisors Chamber – 5th Floor**

County Administration Building 1221 Oak Street, Oakland, CA 94612

Summary/Action Minutes

I. Federal Legislative Update – CJ Lake

Schedule

Both chambers are out of session this week. They will not return until the last week of April.

Budget Resolution

Last week both the House and Senate passed a compromise budget resolution. The House approved it by a narrow margin—216 to 214—with only two Republicans, Victoria Spartz of Indiana and Thomas Massie of Kentucky, voting against it. This resolution moves Congress one step closer to advancing President Trump's legislative agenda through budget reconciliation.

The revised budget allows for the extension of \$4 trillion in tax cuts from the 2017 Tax Cuts and Jobs Act, along with an additional \$1.5 trillion in new tax cuts. In total, that's \$5.3 trillion in tax cuts in the Senate package. The Senate's plan also directs the committees overseeing Medicare and Medicaid to find at least \$4 billion in savings. For comparison, the House's version called for \$2 trillion in spending cuts. These targets are intended as minimums, giving lawmakers flexibility as they negotiate the final amounts.

The Senate's budget also proposes raising the debt ceiling by up to \$5 trillion, compared to the \$4 trillion increase in the House plan.

A key question now is whether the Senate parliamentarian will allow Congress to extend expiring tax provisions without officially increasing the deficit, by using current law as the "policy baseline." If permitted, this could reduce the pressure on committees to make deep cuts to programs like Medicaid and other social safety nets—though it would still increase the deficit overall.

Within the Republican Conference, there is still significant disagreement about whether it's possible to achieve the ambitious \$880 billion in savings assigned to the House Energy and Commerce Committee without cutting Medicaid benefits. Some Republicans are exploring alternatives, such as targeting waste, fraud, and abuse within the program. Still, it is highly unlikely that this alone will account for the required savings without impacting state budgets or beneficiary services.

The House Energy and Commerce Committee is expected to begin marking up its section of the broader GOP bill as soon as the week of May 5th, leaving only a few weeks to identify \$880 billion in spending reductions. House leadership is also pushing for the Agriculture Committee to markup that week. The budget resolution ordered the Committee to cut \$230 billion within its jurisdiction. That will likely come from conservation programs, rural development, and SNAP.

In addition to Medicaid, the extension of the Affordable Care Act's Advanced Premium Tax Credits is also at risk. These credits to help lower monthly insurance premiums, are set to expire unless Congress acts to renew them. Given the current push to offset new tax cuts with spending reductions, it is increasingly unlikely that these enhanced credits will be extended.

Cap and Trade Targeted in Executive Order

On April 8th, the president issued an executive order instructing Attorney General Pam Bondi to review and take steps to halt the enforcement of state laws related to climate change and other environmental initiatives. The order specifically targets California's cap-and-trade program, criticizing it for imposing what it calls unrealistic limits on carbon emissions. According to the order, these limits force businesses to purchase costly carbon credits to comply with "radical requirements." The order may also impact California's authority to enforce strict tailpipe emission standards as part of its efforts to promote electric vehicles.

Under this executive order, Attorney General Bondi has 60 days to identify which state climate laws are affected. She is required to report back to the president with a list of these laws, detail the actions taken, and offer recommendations for further legislative steps to prevent their enforcement. This executive order does not immediately overturn or block any state or local laws. Instead, it launches a two-month review process by the Attorney General's office to evaluate which laws may be subject to future action.

Purpose:
Report progress
Advocacy or Education
Request PAL_Committee Recommendation or Position
Other: Federal Legislative Update

This item was informational only and required no Committee action.

II. State Legislative Update

The California Legislature is currently on Spring Recess and will reconvene on Monday, April 21.

IHSS Collective Bargaining Report Update

The California Department of Social Services (CDSS) has published the In-Home Supportive Services (IHSS) Statewide Collective Bargaining: Report to the Legislature. As directed by the 2023 Budget Act, CDSS conducted an analysis of the potential costs and benefits of shifting IHSS collective bargaining responsibilities from counties to the state. A dedicated workgroup convened throughout 2024 to inform the report, with participation from the California State Association of Counties (CSAC), the County Welfare Directors Association (CWDA), the California Association of Public Authorities (CAPA), IHSS provider unions, and IHSS consumers.

The report presents an in-depth examination of key fiscal and policy issues associated with a state-level bargaining structure. Topics analyzed include projected costs of wage increases, effects on the Realignment funding framework, implications for workforce recruitment and retention, and possible funding strategies. AB 283 (Haney), sponsored by SEIU and UDW, passed the Assembly Public Employment and Retirement Committee and is now with Appropriations.

State Budget Update

On Thursday, April 10th, the Legislature passed AB 100, a bill that modifies the 2023 and 2024 Budget Act to enable early budget actions ahead of the May Revision. The bill provides \$2.8 billion in additional spending authority to address unexpected Medi-Cal expenses in the current fiscal year. AB 100 also includes provisions related to wildfire recovery efforts in Los Angeles County, such as backfilling property tax revenue losses for both the current and upcoming budget years.

Additionally, it allocates \$2 million from the General Fund to support the Foster Family Home and Small Family Home Insurance Fund administered by the Department of Social Services. The Governor signed the bill into law today.

Medi-Cal Update: Proposition 35 Implementation

As reported last week, some media outlets suggested that California missed deadlines related to Proposition 35 and risked losing federal funding. In response, the Department of Health Care Services (DHCS) clarified that no deadlines have been missed, and no federal funds forfeited. DHCS has already secured full federal approval for the MCO Tax revenue authorized under Proposition 35. All revenues are deposited into the Protect Access to Health Care Fund and can be matched with federal funds if payment methodologies allow. Proposition 35 requires DHCS to consult with the Protect Access to Health Care Act Stakeholder Advisory Committee before proposing new provider payments. The committee, appointed by the Governor and legislative leaders, holds its first meeting today, Apr 14, 2025.

Report progress Advocacy or Education Request PAL_Committee Recommendation or Position Other: State Legislative Update
This item was informational only and required no Committee action.
Request for Legislation position – Action items
i. AB 564 (Haney) Cannabis: excise tax: rate increase repeal <i>Recommendation: Support</i> : Nate Miley, Board of Supervisors, District 4
ii. AB 762 (Irwin) Disposable, battery-embedded vapor inhalation device: prohibition <i>Recommendation: Support</i> : Nate Miley, Board of Supervisors, District 4
iii. <u>AB 1261</u> (Bonta) Immigration: unaccompanied undocumented minors: right to counsel <i>Recommendation: Support</i> : Nikki Fortunato Bas, Board of Supervisors, District 5
iv. SB 16 (Blakespear) Homeless Housing, Assistance, and Prevention program: housing element: Integrated Plan for Behavioral Health Services and Outcomes Recommendation: Oppose: Aneeka Chaudhry, Interim Director, Alameda County Health
v. SB 81 (Arreguin) Health and care facilities: information sharing *Recommendation: Support: Nikki Fortunato Bas, Board of Supervisors, District 5
vi. SB 554 (Jones) Law enforcement: immigration enforcement Recommendation: Oppose: Nikki Fortunato Bas, Board of Supervisors, District 5
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.

Purpose: