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

Monday, April 7, 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 in session this week. They will be in Washington until April 11th when they will recess for two weeks.

Budget Resolution

On early Saturday morning, the Senate passed a compromise budget resolution that the House will try to pass this week before the Easter recess in April. The revised budget resolution would allow for a \$4 trillion extension of the Tax Cuts and Jobs Act of 2017, which passed under the first Trump Administration, and an additional \$1.5 trillion in additional tax cuts, totaling \$5.3 trillion in total tax cuts. The Senate plan instructs committees that oversee the entitlement programs Medicare and Medicaid to find at least \$4 billion in cuts. This pales compared to the \$2 trillion in spending cuts instructed by the House's resolution.

The Senate budget plan would also increase the debt ceiling by up to \$5 trillion, compared with the \$4 trillion hike in the House plan.

The Senate parliamentarian is expected to decide shortly if the Senate's rules will permit Congress to extend expiring tax provisions at no cost. If so, committees may be under less pressure to find such large budgetary savings – and may be able to shrink the expected cuts to Medicaid and other social programs.

There is still widespread disagreement within the Republican Conference about whether it will be possible to reach the ambitious \$880 billion in savings prescribed by the House-adopted budget for the House Energy and Commerce Committee without slashing Medicaid benefits. Still, Republicans continue to talk about other ways to cut costs within the health safety net program, like identifying waste, fraud, and abuse in the system.

It is highly unlikely that Congress will be able to find \$880 billion in waste, fraud, and abuse, without affecting state budgets or benefits. The House will need to adopt the same budget resolution before Republicans can officially begin work on a legislative package that they want to advance through the filibuster-skirting reconciliation process.

FY26 Appropriations

House Appropriations Committee Chairman Tom Cole released preliminary guidance and deadlines for the Fiscal Year 2026 appropriations process. House Subcommittees have deadlines throughout May to submit requests.

Starting next week, the Chair of each subcommittee will begin releasing specific guidance for each bill. The Senate has not released its guidance or deadlines for their bills. This is an early step in the process, and much of Congress's attention remains on solidifying a wide-ranging reconciliation bill. We expect President Trump to release a "skinny budget" later this month, with the full FY26 budget request being sent to Congress in May.

Trump Doubles Down on Tariffs

On April 2, President Trump announced he would impose a 10 percent tariff on imports from all countries worldwide and an individualized tariff on approximately 60 countries his administration believes have the most unfair trade relationships with the U.S. This includes a 34 percent tariff on China and a 20 percent tariff on the European Union. This is the most significant protectionist trade action since the 1930s when Congress imposed stiff tariffs on more than 20,000 imported goods. Trump declared a national emergency under the International Emergency Economic Powers Act, which grants him broad authority to regulate imports. Congressional Republicans' responses to the tariffs have broadly been muted, and leadership has instructed the rank-and-file not to oppose the president's actions. However, seven Senate Republicans have signed on as co-sponsors of the *Trade Review Act*, which would reassert Congress' trade authority and let it weigh in on new tariffs. Those seven: Chuck Grassley (R-Iowa), Jerry Moran (R-Kan.), Lisa Murkowski (R-Alaska), Thom Tillis (R-N.C.), Todd Young (R-Indiana), Mitch McConnell (R-Ky.) and Susan Collins (R-Maine).

Under normal circumstances, Congress can repeal the president's actions under the International Emergency Economic Powers Act (IEEPA)—which Trump has been using to impose high tariffs—by using a privileged resolution, which doesn't need to go through the committee process and is directly brought to the floor. However, GOP House members included a provision in the rules package blocking the possibility of using this privileged resolution for the remainder of this congressional session to end the President's emergency powers.

Tuesday, April 8, 2025, Hearing:

- House Committee on Financial Services: Hearing titled, "Decades of Dysfunction: Restoring Accountability at HUD."
- House Committee on Ways and Means Work and Welfare Subcommittee: Hearing titled, "Government Watchdog Findings: Temporary Assistance for Needy Families (TANF) Program In Need of Reform, Better State Accountability, and Fraud Protection"

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

Carrier of Last Resort (COLR) Update

Last week, representatives from AT&T briefed urban counties on their newest iteration of the Carrier of Last Report (COLR). AB 740 is being carried by Assembly Member McKinnor. The representatives noted that in a future version of the bill, they plan to include a community benefit; however, that language is not in print. We will continue to monitor this bill and its amendments.

State Budget Update

California budget watchers are concerned about economic impacts of President Trump's tariffs. The top 1% of earners in California drive 49.9% of the State's personal income tax. In particular, policymakers are concerned that recent dips in the stock market could upend the State's capital gains, an important but volatile funding source for the State.

Medi-Cal Update: Proposition 35 Implementation

Last week, the Newsom Administration missed a deadline to begin implementation of Proposition 35. In November, California voters passed Proposition 35, which would increase payments to doctors and health care facilities that treat Medi-Cal patients via a special tax on health insurance plans. Given that Medi-Cal is funded with both state and federal money, California can use that tax revenue to request matching federal dollars. However, officials in the Newsom administration missed the March 3st deadline for federal approval. As a result, for the first quarter of the year, doctors will not receive the promised rate increases.

According to Health Care Services Director Michelle Baass' statement in Assembly Budget Subcommittee No.1 on Health, the delay in California's federal application was primarily caused by unfilled appointments on the advisory committee, which was established by the ballot measure to oversee spending. Additionally, Baass noted that the committee is subject to Bagley-Keene laws, which need to be met before a meeting can be convened, which also extended the timeline. However, despite the committee having an unfilled appointment at the time, they did have enough members to establish a quorum to meet on Proposition 35 implementation.

Now that all positions have been filled, the Department of Health Care Services (DHCS) is holding the first meeting of the Proposition (Prop) 35 "Protect Access to Health Care Act" Stakeholder Advisory Committee on April 14 from 11:30 a.m. to 3:30 p.m. (PT). This meeting is open to the public, and registration for virtual attendance is open.

Special Elections Update

Assembly District 32: A special election was held to replace Vince Fong, who was elected to the U.S. House. Republican Stan Ellis won outright in the February 25th primary and was sworn in on March 3rd.

Senate District 36: Following Janet Nguyen's move to the Orange County Board of Supervisors, Republican Tony Strickland won outright in the February 25th primary and was sworn in on March 3rd.

Assembly District 63: Assemblymember Bill Essayli resigned on April 1st after being appointed U.S. Attorney for the Central District of California by President Trump. A special election will be called by April 17th to fill the vacancy. Democrat Chris Shoults has announced his candidacy. Shoults previously ran for AD 63 last November, where he lost 4Essayli.

Bills of Interest: Immigration-Related Legislation

Earlier this year, the PAL committee requested a handful of bills in response to immigration enforcement to be tracked closely as they moved through the legislative process. The PAL Committee and Board of Supervisors approved supporting SB 12 and SB 48, which were both introduced by Senator Gonzalez. SB 12, which proposes a new state agency known as the Immigrant and Refugee Affairs Agency, was double-referred to the committees on Governmental Organization and Judiciary. As reported previously, the bill passed its first committee (Senate Governmental Organization) with amendments on March 11th. Last week, it was scheduled for its second committee hearing in the Senate Judiciary Committee on April 22nd.

SB 48, which provides guardrails against immigration agencies from accessing school campuses, pupil and staff information without a warrant, was heard last week in the Senate Education Committee on April 2nd.

Committee members recognized that the bill provided reasonable guardrails to limit deportation fears on school campuses. The bill passed (6 - 1) with bi-partisan support. The bill was referred to the Committee on Public Safety.

The PAL Committee has not taken an official position on AB 49 (Muratsuchi) or SB 81 (Arreguin), both were flagged as priorities to watch for the PAL Committee. AB 49 was amended this week to be known as the "California Safe Haven Schools Act." The bill is very similar to the Senate's SB 48 and would limit immigration enforcement activity on school sites. It will be heard this week in the Senate Education Committee on April 9th.

As for SB 81 (Arreguin), the bill restricts disclosure of medical information for immigration enforcement unless a valid search warrant is presented or explicit authorization is provided by the patient. This bill was recently amended and has been assigned to the Senate Health Committee, although a hearing has not been scheduled yet.

Purpose:	
Report progress	
Advocacy or Education	
Request PAL Committee Recommendation or Position	
Other: State Legislative Update	
Some result bears beginner to epiante	
This item was informational only and required no Committee action.	
Request for Legislation position – Action items	
i. State Budget Request: CalWORKs Single Allocation Funding	
Recommendation: Support: Andrea Ford, Director, Social Services Agency	
ii. State Budget Request: In-Home Supportive Services (IHSS) Administrative Rebas	se
Funding	
Recommendation: Support: Andrea Ford, Director, Social Services Agency	
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.	

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