I. Federal Legislative Update – CJ Lake

The House and Senate are in session this week after a two-week recess. This spring, the Senate will continue to focus on nominations (judicial, State, CIA, VA) while the House will focus on legislation to balance the budget, legislation to ease the Dodd-Frank financial regulations, and reauthorize the FAA, WRDA and the Farm Bill. The focus this week is testimony of Mark Zuckerberg before a joint Commerce-Judiciary Hearing in the Senate and Energy & Commerce Committee Hearing in the House.

Farm Bill

The House Agriculture Committee has said they would like to release a draft bill as early as this week with a mark-up scheduled for April 18th. However, there could be a delay in the release of the bill.

Spending

House Republicans are working with the White House on two different options to show they are serious about fiscal discipline after passage of the FY18 omnibus appropriations bill at the end of March. The first is to take up a balanced budget amendment this Thursday. The last time the House voted on a Constitutional amendment to balance the budget was in 2011. The most recent time a vote was held in the Senate was 1997. Super majorities would be needed in both the House and Senate and ¾ of states would need to ratify. House Republican leadership promised the Republican Study Committee they would hold a vote on a balanced budget amendment in order to secure their votes for the FY18 omnibus spending bill. The Senate has not announced any plans to take up the Constitutional amendment.

In addition to the balanced budget amendment, House Majority Leader McCarthy is working to find $30 billion worth of cuts from the recent omnibus appropriations package. It is not clear which programs could be at risk or when it may come to the House floor, though President Trump has repeatedly called for across-the-board cuts to domestic programs, from wildlife refuges to farmworker training programs.

The rescissions request makes use of a provision in the 1974 Budget Act that allows the president to request the cancellation of some spending and gives Congress 45 days to approve the measure. President Trump would need to send an official request by mid-June. A rescissions package would be difficult to pass in the Senate because Appropriations Committee members would be concerned that passage of such a bill would take away the incentive to negotiate on future legislation.

Immigration

The Commerce Department’s decision to include immigration status as a question on the 2020 Census is being challenged in separate lawsuits in California and New York. The Census Act (13 U.S.C. § 141(f)) requires the Secretary of Commerce to submit the questions to be included in the Census 2 years prior to its use, but allows for changes within that 2-year window “[i]f the Secretary finds new circumstances exist.”
More likely, the outcome of the pending litigation will determine whether the immigration-status questions remain when the Census is actually conducted in 2020.

The White House issued a memo to the Departments of Defense, Homeland Security, and Health and Human Services, directing them to report back on policy/regulatory changes that would end the “catch-and-release” practice of returning those attempting to cross the U.S.-Mexico border illegally back to Mexico, rather than holding them in detention centers and sending them back to their country of origin if that is not Mexico.

The “public charge” Notice of Proposed Rulemaking (NPRM) has not yet been issued by the Administration. Representative Lee and other local Congressional offices are already anticipating the NPRM and discussing options, including drafting a “Dear Colleague” letter, requesting Committee hearings, and submitting comments during the comment period that will follow publication of the formal NPRM.

**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 reconvened from Spring recess last week and will remain focused on getting bills through policy committees and sorting through the array of budget items before them, prior to the May Revision. The CalWORKs single allocation restoration, addressing the IHSS automation system backlog and the Adult Protective Services Home Safe program, have not yet been heard by the Assembly, however they have been heard by both Senate and Assembly Budget Subcommittees and have been held open for further discussion.

**Update on County Sponsored Bills**

AB 2111 (Quirk), Alameda County’s sponsored bill, which will align CalWORKs sponsor deeming provisions with those used for CalFresh for sponsored non-citizens indigence determinations, will be heard in the Assembly Human Services Committee on April 24, 2018.

**Housing and Homelessness**

In mid-March, the Senate Budget and Fiscal Review Subcommittee 4 on State Administration and General Government heard the Governor’s Statewide Housing Package budget proposal, including the implementation of SB 2 funding to address homelessness in California. The committee and stakeholders discussed the need to ensure that the allocation of funding be put into an existing program that addresses homelessness. The item was held open. Just last week, the Assembly Budget Subcommittee 4 on State Administration took up this item – and the outcome was a new proposal from the Department of Housing and Community Development (HCD). HCD revealed a plan to distribute the first year of homelessness funding from SB 2 using the existing Emergency Solutions Grant Program (ESG) and allocating the monies on a formula basis through each county or region’s Continuum of Care. The ESG currently provides funds for a variety of activities to address homelessness. The modifications to the ESG would allow local governments to use the funding for the following activities:

- Rental assistance
- 15-year capitalized operating reserves for supportive housing
- Local programs that establish flexible housing subsidy pools
- Operating support for short-term emergency solutions
- Landlord incentives
- Homelessness planning
- Data systems
It is estimated that $129 million will be available in July from SB 2 revenues. Given this, HCD is prepared to modify the ESG, open for a public comment period as early as June, release a Notice of Funding Availability by July, and distribute funds in August. HCD noted that there are existing unallocated funds in ESG that would be in addition to the incoming SB 2 revenues. The proposal has not yet been formalized, but we will continue to monitor and evaluate this new proposal very closely and keep the County apprised of new opportunities for funding as it related to homelessness and housing.

One of the legislative vehicles to address homelessness, SB 912 (Beall/Skinner), will be heard in the Senate transportation and Housing Committee on April 24, 2018.

**Mental Health Services Act Audit**

On April 17 the Joint Legislative Audit Committee and the Select Committee on Mental Health will hold a joint hearing to discuss the Mental Health Services Act (MHSA) Audit 2017-17. This hearing will explore how the state can better ensure the effective use of MHSA funding. The audit found that the Department of Health Care Services (DHCS) had ineffective oversight of local mental health agencies and the Mental Health Services fund which allowed hundreds of millions of dollars to remain unspent, DHCS provided only minimal oversight of the MHSA funds that local mental health agencies received, and that the Oversight Commission has yet to develop metrics to assess the outcomes of the MHSA grants on a statewide level, among other things. Alameda County was one of the three local mental health agencies reviewed in this audit. The hearing will be largely focused on the state agencies implicated in the audit findings. We will continue to communicate with committee staff to determine what, if any, expectations or opportunities are for the County to be involved in the hearing. An agenda has not yet been released.

**SB 1 Update**

Each year, cities and counties must adopt a list of projects they intend to fund through SB 1 in order to be eligible for funding in the upcoming fiscal year. Cities and counties can no longer adopt their project lists through a budget process – project lists can only be adopted by passing a resolution. The California Transportation Commission (CTC) released a new tool for cities and counties to submit their project lists online, called the SB 1 Programs Project Intake Tool. The deadline to submit project lists for fiscal year 2018-2019 is May 1. CTC released a companion guide to help explain the uploading process.

**2020 Census**

The U.S. Census is a process mandated by the U.S. constitution that takes place every 10 years, which counts every resident in the country. The data collected by the decennial census determine the number of seats each state has in the U.S. House of Representatives and is also used to distribute billions in federal funds to local communities. On March 26, the U.S. Census Bureau announced that the Trump Administration plans to add a citizenship question to the 2020 census questionnaire. Within hours, California Attorney General Xavier Becerra filed a lawsuit against the Administration, declaring the addition of the question unconstitutional. Becerra said the following of the decision: “Vital services such as these would be jeopardized and our voice in government diminished if the U.S. Census Bureau’s 2020 count resulted in an undercount. Beyond its constitutional role in redistricting, a proper count conducted by the U.S. Census Bureau shapes our everyday lives. If the bureau is ill-prepared for the job or a count is faulty, every state, every neighborhood, faces the risk of losing its fair share of federal funding for its people and its taxpayers.” If successful, the addition of this question to the census count could result in the loss of billions of dollars in federal aid to California and other immigrant rich states, and may cost the state representation in Congress. The following day, Senate President pro Tempore Toni Atkins stated that she fully supports the Attorney General’s decision to seek justice in federal court to protect Californians.

**PPIC: Immigrants and Political Engagement**

The Public Policy Institute of California recently released a fact sheet on immigrants and political engagement. Based on surveys conducted, PPIC found that immigrants in California are less likely to have interest in politics than U.S. born residents. However, the surveys show that since the election of President Trump, both immigrant and U.S. born residents are paying more attention to politics overall.
They also find that immigrants who are naturalized citizens in California are more likely to be registered as Democrat than U.S. born residents. Surprisingly however, the surveys find that immigrant residents in California are more likely to trust the federal government than U.S. born residents and also have a more favorable view on immigration generally, than U.S. born residents.

State Controller’s Comprehensive Annual Financial Report

The State Controller recently issued the state’s Comprehensive Annual Financial Report (CAFR) for the fiscal year 2016-2017, which ended June 30, 2017. The report shows that California ended the year with General Fund revenues of $125.10 billion, a 6.4% increase compared to the prior year. The state’s general revenues increased by $8 billion, or 5.7%, compared to the prior year. This is significantly higher than the 1% growth the state saw in 2015-16. State Controller Betty Yee stated the following – “While California’s economy is vibrant and rainy day fund reserves are strong, we must not become complacent. An economic downturn may very well be on our doorstep,” and that she supports “the governor’s focus on paying down debts and liabilities to counter the potential fiscal impact of federal policy changes on California and the lurking end of economic expansion.”

Purpose:
- Report progress
- Advocacy or Education
- Request PALCommittee Recommendation or Position
- Other: State Update

Request for Legislation position – Action Items

i. **AB 1316** (Quirk) Public health: childhood lead poisoning: prevention  
   Recommendation: **Support**: Chris Bazar, Director, Community Development Agency;

ii. **AB 1754** (McCarty/Bonta/Friedman) Pre-K for All Act of 2018  
    Recommendation: **Support**: Willie A. Hopkins, Jr., Director, General Services Agency

iii. **AB 1785** (Nazarian) Medi-Cal eligibility: assets  
    Recommendation: **Support**: Lori A. Cox, Director, Social Services Agency;  
    **Endorse**: Colleen Chawla, Director, Health Care Services Agency

iv. **AB 1921** (Maienschein) CalWORKs: housing assistance  
    Recommendation: **Support**: Lori A. Cox, Director, Social Services Agency

v. **AB 1934** (Jones-Sawyer) Dependent persons: definition  
   Recommendation: **Support**: Lori A. Cox, Director, Social Services Agency

vi. **AB 2023** (Caballero/Rubio) Personal income taxes: Working Families Child Care Tax Credit  
    Recommendation: **Support**: Willie A. Hopkins, Jr., Director, General Services Agency

vii. **AB 2292** (Aguilar-Curry) Child care: reimbursement rates: start-up costs: grants  
    Recommendation: **Support**: Willie A. Hopkins, Jr., Director, General Services Agency

viii. **AB 2514** (Thurmond) Dual language learner: grants  
    Recommendation: **Support**: Willie A. Hopkins, Jr., Director, General Services Agency
ix. **AB 2623** (Holden) Developmental disabilities: regional centers  
    *Recommendation: Support:* Collen Chawla, Director, Health Care Services Agency

x. **SB 1093** (Jackson) Department of Motor Vehicles: records: confidentiality  
    *Recommendation: Support:* Lori A. Cox, Director, Social Services Agency

xi. **SB 1316** (Glazer) Off-highway vehicular recreation: Carnegie State Vehicular Recreation Area: Alameda-Tesla Expansion Area  
    *Recommendation: Support:* Supervisor Scott Haggerty, District 1, Board of Supervisors

xii. **SB 1325** (Moorlach) Peaceful and Natural Dignity Act: the right of self-quarantine  
    *Recommendation: Oppose:* Colleen Chawla, Director, Health Care Services Agency

Recommendation from the PAL Committee: Support. Move to the full Board of Supervisors.

**PUBLIC COMMENT**

None.

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