SUMMARY/ACTION MINUTES

I. Federal Legislative Update – CJ Lake

Congress is preparing for a busy week prior to the Memorial Day Recess. Both the House and Senate will take up a two-month extension of MAP-21, keeping pressure on both chambers to find a way to fund a multi-year deal in July. The Senate will address an extension of the USA Patriot Act and the controversial bulk collection of phone data. Majority Leader Mitch McConnell has also stated that the Senate will finish its work on several trade related bills this week and will remain in session as long as it takes to do so.

Today, the House will take up the Senate-passed Victims of Trafficking Act of 2015. The legislation creates a Domestic Trafficking Victims’ Fund to enhance support programs for victims of human trafficking and will also create a grant program to help fund state and local initiatives to serve victims of human trafficking.

House and Senate Appropriations
The House Appropriations Committee marked up the $55.3 billion Transportation, Housing, and Urban Development spending bill last Wednesday. The Commerce, Justice, Science Appropriations bill will be marked up in the full committee on Wednesday. The draft measure would provide $51.4 billion in discretionary funding, an increase of $1.3 billion from the current fiscal year and $661 million less than President Obama’s budget request. On Wednesday, the Defense Subcommittee has also planned a closed mark-up of the FY16 Defense Appropriations bill. Last week, the House passed the $611.8 billion authorization bill.

On the Senate side, Chairman of the Senate Appropriations Committee Thad Cochran is developing a similar set of 302 (b) allocations that the panel plans to approve before the Senate leaves May 21 for the Memorial Day recess. Approval of those allocations would then set the stage for the first bills to come to the Senate floor this summer. The Senate Appropriations Committee is planning a mark up tomorrow of its respective versions of the Military Construction-VA appropriations bill and the Energy and Water Development appropriations bill.

Both the House and Senate are following the $1.017 trillion discretionary spending allocation called for in the 2011 BCA and reflected in Republicans' FY 2016 budget resolution (S. Con. Res. 11), which was adopted the week of May 4, 2015.

Chairman of the House Appropriations Committee Hal Rogers has said it will be “very tough” to pass bills written to the sequestration levels forced by the BCA. The Obama administration has also warned appropriators that the White House will veto those bills that lock in the spending caps. Both Democrats and Republicans have signaled that they want to try to negotiate a follow-on deal to the two-year Bipartisan Budget Agreement (Murray-Ryan deal) that provided temporary relief from the BCA.
Surface Transportation Reauthorization

Last Friday, the House Republican Leadership announced it will bring to the floor a simple two-month extension of MAP-21 since negotiations failed to produce an offset for the $10 to $11 billion necessary to extend MAP-21 and the Highway Trust Fund through the end of the calendar year. The bill—H.R. 2353—is similar to S 1350 introduced last Thursday by Senators Tom Carper and Barbara Boxer.

The House Rules Committee is scheduled to meet at 5 p.m. today on H.R. 2353, a two-month, $8.4 billion extension of Highway Trust Fund spending authority. Majority Leader Kevin McCarthy has announced that the legislation will be on the House floor tomorrow. The major difference between the House’s two-month extension and the Senate version is that the Senate bill includes a long “Sense of the Congress” provision suggesting the House and Senate committees should produce a long-term reauthorization bill as soon as possible, and that the tax committees “should develop and, as soon as practicable, report out legislation providing sufficient revenue to offset the cost of such a long-term authorization.” H.R. 2353 contains no similar “Sense of Congress” language.

Senate Environment and Public Works Chairman Jim Inhofe and Ranking Member Barbara Boxer also announced last week that their Committee would hold a mark-up in June on a six-year surface transportation bill.

Hearings Community Police Relations

The House and Senate Judiciary Committees will hold hearings tomorrow related to Community—Police Relations. The House Judiciary Committee will hold a hearing at 10:00 am on “Policing Strategies for the 21st Century” and the Senate Judiciary Committee will hold a hearing at 2:30 pm on “Body Cameras: Can Technology Increase Protection for Law Enforcement Officers and the Public?”

The Obama administration announced today an immediate ban on federal transfers to local police departments of certain types of military-style including: grenade launchers, high-caliber weapons and bayonets, in the wake of controversy over a "militarized" police response. Restrictions on other gear will be phased in in order to brief local law enforcement agencies on the new requirements. The Administrative Action announced today is the result of a task force created in January to look at ways to build trust between law enforcement organizations and the citizens they are charged with protecting.

SNAP

There are two hearings this week related to Child Nutrition Programs. The House Education and Workforce Committee will hold a hearing on Tuesday at 10:00 am titled “Addressing Waste, Fraud, and Abuse in Federal Child Nutrition Programs.” The House Agriculture Subcommittee on Nutrition will also hold a hearing on Wednesday at 1:30 pm titled “Past, Present, and Future of SNAP.”

Rape Kit Backlog

On Wednesday, the Senate Judiciary Subcommittee on the Constitution will hold a hearing on the rape kit backlog as a human rights issue.

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 – Platinum Advisors

**State Budget**

The Budget Conference Committee will likely convene the first week of June. Budget Subcommittees appear to be leaving a lot of items open so far, possibly to negotiate behind the scenes a bit prior to making final decisions.

**Revenue**

Governor Brown released the May Revision to the 2015-16 budget showing $6.7 billion in increased General Fund revenues. This revenue was consumed by Prop 98 and Prop 2 requirements. However, the revised budget proposes to help the State’s neediest families by enacting an Earned Income Tax Credit, setting aside funds for healthcare services for undocumented immigrants who gain resident status under the President’s executive action as well as providing significantly more Cap & Trade auction revenue.

The revenue adjustments form the 2013-14, 2014-15 and the 2015-16 fiscal years include a personal income tax revenue increase by $6 billion; corporation tax revenues is up $394 million and sales tax and use tax revenues are up $320 million, resulting in $6.7 billion in additional revenues. According to the Department of Finance, revenue growth for the three main sources will continue to increase over the next four years by an average of 4.8% annually.

Both the Senate and Assembly have high expectations of restoring funding for safety net programs such as child care and Medi-Cal, as there is an expected $1.1 billion for programs from the additional revenue.

**Cap & Trade**

The Revise substantially increases the amount of Cap & Trade revenue available in 2015-16 for various programs from $992 million to $2.2 billion. However, these amounts do not include the increased auction revenue generated in the 2014-15 fiscal year. Total Cap & Trade revenue for 2014-15 and 2015-16 increased from $1.65 billion to $3.35 billion, which is consistent with the LAO’s low end estimate.

The Administration also places in reserve $500 million in auction proceeds, which is ten times higher than the reserve proposed in January. Deducting the reserve and the $650 million already appropriated in the 2014-15 budget from the $3.35 billion total equates to the $2.2 billion appropriated in the 2015-16 fiscal year.

**Medi-Cal Administration Funding**

County Social Services Agencies are reimbursed by Medi-Cal for determining eligibility into the program. Because the caseload has been higher than expected and the computer systems are not functioning properly, social services agencies have struggled to keep up with the significant increase in demand. The California Welfare Director’s Association requested a $300 million ($97.6 million General Fund) augmentation to Medi-Cal administration funding to perform the intake, case management and renewals into the program. The Administration proposed an augmentation of $150 million.

**Maximum Family Grant Rule**

The California Welfare Director’s Association is renewing efforts to repeal the Maximum Family Grant rule as part of the budget at a cost of about $200 million annually. In Alameda County, it would mean that almost 4,000 children would be newly eligible for CalWORKs. Currently SB 23 (Mitchell) supported by the County is on the Senate Appropriations Suspense File.
Purpose:
☐ Report progress
☐ Advocacy or Education
☐ Request PAL Committee Recommendation or Position
☒ Other: State legislative update

Request for Legislation Position – Action Items

i. **SB 238** (Mitchell) Foster care: psychotropic medication  
   *Recommendation: Support:* Lori Cox, Director, Social Services Agency

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

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

**PUBLIC COMMENT**
None.

*Board of Supervisors' Committees agendas are available via Internet at: [www.acgov.org]*