I. Federal Legislative Update – CJ Lake

The House and Senate are not in session this week. Congress will remain in a district/state work period until they resume legislative action on July 9.

FY19 Appropriations

*Senate status*

The Senate Appropriations Committee approved all 12 spending bills last week with the approval of the Labor-HHS-Education and Defense spending bills. Appropriators agreed to preserve funding for the Title X family planning program and Teen Pregnancy Prevention program in the Labor-HHS bill. Majority Leader McConnell (R-KY) has said that they are working to bring the bills to the Senate floor quickly. Last week, the Senate also passed H.R. 5895, the Energy & Water, Military Construction-Veterans Affairs, and Legislative Branch minibus, on a vote of 86-5.

*House status*

House Republican Appropriators again delayed the Labor-HHS-Education and Homeland Security bills due to backlash over the Trump Administration’s immigration policies. The House approved a motion to go to conference with the Senate on the first appropriations minibus (Energy & Water Development, Military Construction-Veterans Affairs, and Legislative Branch). Last Thursday, the House also passed its Defense spending bill, H.R. 6157, on a vote of 359-49.

Immigration

The Goodlatte-McCaul immigration reform bill (H.R. 4760) failed to pass the House, 193-231, with a number of Republican moderates and all Democrats voting against the bill. The “compromise” bill negotiated by the House Freedom Caucus and the more moderate Republican Members pressing for immigration reform was scheduled for a vote the same day, then was postponed and pushed again to last week. Last Wednesday, that bill (H.R. 6136) failed by an even larger margin, 121-301, this time with Democrats and Freedom Caucus members voting against the proposal.

A bipartisan group of Senators (Feinstein & Durbin and Cruz & Tillis, nicknamed the “Gang of Four”) are negotiating a bill to address the issue of family separation at the border as part of the “zero-tolerance” policy put in place by the Administration. One proposal was to supersede the Flores settlement and specifically permit detention of minors for more than 20 days. That is unlikely to be the final language in the bill, however, and while the group shares an interest in finding a solution, there is little to suggest that they are close to an agreement. Any proposal will not be taken up until after the July 4th recess, at the earliest.

Customs and Border Protection made their policy of not referring families intercepted after crossing the border to DOJ for prosecution.
DOJ will continue to prosecute those referred to them by CBP, but this essentially ends the “zero tolerance” policy with respect to families. Regarding those children already separated from their families, the federal court in San Diego has given the Administration a timeline to reunite children and parents. DOJ continues to seek changes to the Flores settlement to allow detention exceeding 20 days and in facilities not already licensed by a state. Both cases will continue to play out over the coming weeks.

**Senate Farm Bill**

The Senate approved its version of the Farm Bill by a bipartisan vote of 86-11. The bill would re-authorize farm, nutrition, conservation, trade, energy, rural development, and other Agriculture Department programs for five years. The current authorization is set to expire on September 30.

The Senate bill would make slight changes to the Supplemental Nutrition Assistance Program (SNAP). Unlike the House bill, the legislation does not include a revamp of the SNAP program with expanded work requirements for program participants. A national clearinghouse would be created to prevent individuals from receiving duplicate SNAP benefits in more than one state, based on a pilot project under previous farm bills. The measure would also authorize “workforce partnerships” with private employers or nonprofits to provide job training to meet existing work requirements.

Other changes to SNAP would include:

- Authorizing several pilot projects, including for job training and income verification.
- Extending the certification period for elderly or disabled households to three years, instead of two years, if they have no earned income.
- Allowing retailers to offer incentives to SNAP participants to purchase healthy foods.
- Reducing performance bonus payments to states to a total of $6 million per year, from $48 million, and awarding them only for timely application processing.

**SCOTUS**

Justice Anthony Kennedy announced on June 27 that he will retire from the Supreme Court at the end of July. President Trump has begun reviewing top prospects and said he will make his replacement official on July 9. The Senate Judiciary Committee will likely hold hearings beginning at the end of July/August timeframe with hopes of the full Senate confirming the new Justice before the midterm elections. With a small margin for error, Majority Leader McConnell will have to ensure the Republican Conference supports the SCOTUS nominee. We expect Senators Susan Collins (R-ME), Lisa Murkowski (R-AK) and moderate Democrats up for reelection in 2018 to be the decisive votes.

Of the five most talked-about SCOTUS nominees: three Democrats voted for Michael Barrett, US District Court Judge - Southern District of Ohio (Sens. Kaine, Manchin, Donnelly), One democrat voted for Brett Kavanaugh, US Circuit Court Judge - First Circuit (D.C.), (Sen. Carper), All Dems voted for Thomas Hardiman, US Circuit Court Judge - Third Circuit (Pittsburgh) (95-0), All Dems voted for Raymond Kethledge, US Circuit Court Judge - Sixth Circuit (voice vote), All Dems voted against Amul Thapar, US Circuit Court Judge - Sixth Circuit.

**Purpose:**

- [ ] Report progress
- [ ] Advocacy or Education
- [ ] Request PAL Committee Recommendation or Position
- ✗ Other: Federal Update

**Request for Legislation position – Action Item**

i. **S. 3036 & H.R. 2572 (Feinstein, Roybal-Allard) Keep Families Together Act & Protect Family Values at the Border Act**

   **Recommendation:** **Support:** Lori A. Cox, Director, Social Services Agency and Colleen Chawla, Director, Health Care Services Agency
II. State Legislative Update – Brownstein Hyatt Farber Schreck

Last week, Governor Brown signed the $138.6 billion 2018-2019 Budget and 22 trailer bills. The Governor did not veto any items in the budget, protecting critical one-time funding and other important state priorities. Overall, the enacted budget is positive for counties with significant funding in critical areas including over $700 million for local governments to combat homelessness, over $40 million for county administrative costs for CalWORKs and IHSS, and significant funding for mandate repayment and wildfire disaster recovery.

Initiative Withdrawals and Compromises

Following the signing of the final budget, the Legislature passed and Governor signed AB 1838 (Committee on Budget), which is an agreement to withdraw the supermajority tax initiative from the November ballot. The final agreement prohibits local governments from imposing any taxes or fees on groceries, however, the focus is on soda and sweetened beverages since local governments are already restricted in their ability to tax the vast majority of grocery products. This compromise extends the ban to the year 2031, but does not repeal existing taxes and fees on those products imposed prior to January 1, 2018.

AB 375 establishes the California Consumer Privacy Act by which Californians can hold companies accountable for potential abuse of their data. There is also an agreement in the works between the Legislature, paint companies, and others to resolve the pending lead paint issue, which resulted in the proposed lead-paint initiative to be withdrawn from the ballot.

Voters will decide the whether or not to repeal SB 1. By striking deals on highly controversial initiatives, preventing them from making it on the ballot, Governor Brown has signaled the desire and effort to decrease conservative voter turnout at the polls this November. The Governor has said he would do whatever it takes to prevent SB 1 from being repealed.

Legislative Deadlines

During Summer Recess, beginning on July 6, Legislators will head back to their districts and will be primarily focused on the November election. When the Legislature returns from summer recess on August 6, it will be faced with the final dash of sending all fiscal bills to fiscal committees and to the floor prior to the adjournment of session on August 31.

As a reminder, below are important upcoming Legislative deadlines:

- July 6 – Last day for policy committees to meet and report bills, Summer Recess upon adjournment.
- August 6 – Legislature reconvenes.
- August 17 – Last day for fiscal committees to meet and report bills.
- August 20 – August 31 – Floor Session only.
- August 31 – Last day for each house to pass bills, Final Recess upon adjournment.
- September 30 – Governor must sign or veto all bills sent to him before September 1.
- November 6 – General Election.

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, was heard in Senate Appropriations Committee today and placed on the suspense file for action later in session.

November 2018 Ballot Initiatives

After a long and arduous signature gathering and verification process, the following 12 measures have been certified to appear on the November 6 General Election ballot:
- Proposition 1 – SB 3 (Beall). Veterans and Affordable Housing Bond Act of 2018.
- Proposition 2 – AB 1827 (Committee on Budget). No Place Like Home Act of 2018.
- Proposition 3 – Authorizes Bonds to Fund Projects for Water Supply and Quality, Watershed, Fish, Wildlife, Water Conveyance, and Groundwater Sustainability and Storage.
- Proposition 4 – Authorizes Bonds Funding Construction at Hospitals Providing Children’s Health Care.
- Proposition 5 – Changes Requirements for Certain Property Owners to Transfer Their Property Tax Base to Replacement Property.
- Proposition 6 – Eliminates Recently Enacted Road Repair and Transportation Funding by Repealing Revenues Dedicated for those Purposes. Requires any Measure to Enact Certain Vehicle Fuel Taxes and Vehicle Fees be Submitted to and Approved by the Electorate.
- Proposition 7 – AB 807 (Chu). Daylight savings time.
- Proposition 8 – Authorizes State Regulation of Kidney Dialysis Clinics. Limits Charges for Patient Care.
- Proposition 9 – Division of California into Three States.
- Proposition 10 – Expands Local Governments’ Authority to Enact Rent Control on Residential Property.
- Proposition 11 – Requires Private-Sector Emergency Ambulance Employees to Remain on Call During Work Breaks. Changes Other Conditions of Employment.
- Proposition 12 – Establishes New Standards for Confinement of Certain Farm Animals; Bans Sale of Certain Non-Complying Products.

No Place Like Home Funding

As you know, the Legislature passed and the Governor signed AB 1827 as part of the final budget package, which places the No Place Like Home Act of 2018 on the November ballot. The California Department of Housing and Community Development (HCD) announced the release of the County Designation Forms for the No Place Like Home (NPLH) Noncompetitive Allocation Notice of Funding Availability. Completing this form is the first step for counties to express interest in applying for the $200 million that will be made available contingent upon voter approval of Proposition 2 in November. Counties are highly encouraged to review this information and the process for application.

Updated SB 35 List

Last week, HCD also released an updated list entailing which California cities and counties are subject to streamlined housing development under SB 35 (Wiener) – an integral part of the housing package signed into law in 2017. SB 35 is intended to help address housing affordability by expediting approvals for certain new housing projects in jurisdictions that are not meeting their housing needs. Each April, all 539 jurisdictions in California must submit their annual progress reports, covering the prior calendar year’s activities. The updated list reflects the latest data submitted to HCD by jurisdictions in their housing element annual progress reports.

Online Sales Tax

On June 21, 2018, the United States Supreme Court’s decision in South Dakota v. Wayfair overturns a 1992 decision that allowed states to collect online sales taxes from sellers only if the seller is physically present in the state. With this decision, states will now be able to collect sales tax from all online retailers. California has already had the ability to collect online sales tax from online retailers – although few consumers report their purchases or pay sales tax on online purchases. While the fiscal implications of this decision are significant, the intricacies are still being evaluated.
Purpose:
☐ Report progress
☐ Advocacy or Education
☒ Request PAL Committee Recommendation or Position
☐ Other: State Update

Request for Legislation position – Action Items

i. **AB 2293** (Reyes) Emergency medical services: licensure
   Recommendation: *Oppose*: Colleen Chawla, Director, Health Care Services Agency

ii. **SB 1004** (Weiner/Moorlach) Mental Health Services Act: prevention and early intervention
   Recommendation: Oppose unless amended: Colleen Chawla, Director, Health Care Services Agency and Lori A. Cox, 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.

*Board of Supervisors’ Committees agendas are available via Internet at: [http://www.acgov.org/](http://www.acgov.org/)*