I. Federal Legislative Update – CJ Lake

The House and Senate are in session this week. The Senate will focus on passing the Water Resources Development Act while the House focuses on a number of measures including legislation that would prevent President Obama from shutting down the military prison at Guantanamo Bay before he leaves office. Congressional leaders are also seeking consensus for a continuing resolution to fund the federal government into the new fiscal year beginning October 1.

Appropriations/Continuing Resolution

With the end of FY16 approaching on September 30 and the House Republican Conference in disagreement over the length of a Continuing Resolution (CR), the Senate is expected to take the lead this week on moving forward in the appropriations process.

Most House Republican leaders, appropriators, and almost all Democrats favor a short-term extension through December, but some fiscal conservatives (to include the Freedom Caucus) are pushing for legislation that funds the government into March 2017. Proponents of a longer CR fear that it will be easier to increase spending during a lame duck session.

Last week, Senate Democrats vowed to block any CR that stretches into next year. Senate Majority Leader Mitch McConnell (R-KY) also announced last week that the Senate would take up a CR that runs through December 9. Although there are a few points of contention including, a rider to attach the EPA’s revised ozone air quality standards to the CR, the short-term funding measure will more than likely remain clean of any policy riders while still providing funding to combat the Zika virus, and would include funding for the recent flooding in Louisiana and Texas.

On Friday, House Republican leaders began embracing the Senate’s proposal despite opposition from the Freedom Caucus. House Speaker Paul Ryan (R-WI) favors the shorter CR and may try to use the lame duck session to approve a series of “minibuses” rather than one large omnibus appropriations bill.

President Obama and the Majority and Minority leaders of the House and Senate will meet this afternoon to further discuss the CR and Zika funding. Because of the new focus on passing a CR earlier than September 30th, there is a chance the House and Senate could recess for the elections as early as September 23rd.

Energy Bill Conference

Members of the comprehensive energy bill conference committee met for the first time last week to begin reconciling the House and Senate bills. Despite objections from several conferees, a majority of the committee members expressed determination to rid the measure of the most controversial provisions and ultimately pass the first wide-ranging energy legislation in nearly a decade.
While the Senate passed the bipartisan S. 2012, the Energy Policy Modernization Act, on a vote of 85 to 12 in April, the House passed, H.R. 8, the North American Energy Security and Infrastructure Act, a highly partisan bill by 241 to 178 in December. The Obama Administration threatened to veto the partisan House version because of several controversial provisions related to the drought in Western states and wildfire management.

Although Members do not believe they will be able to reach a deal before the election, the conferees are hopeful they can reach agreement on a compromise measure during the lame duck session.

**Water Resources Development Act**

Last week, Senate Majority Leader McConnell filed a motion to proceed to S. 2848, the Water Resources Development Act of 2016 (WRDA). Senators engaged in negotiations throughout the week over possible amendments to the bill and will begin final consideration to the bill this week.

The bipartisan water infrastructure legislation does not appropriate new taxpayer dollars for spending, but instead authorizes projects to be addressed when Congress appropriates money in the future. Within the WRDA bill, there is roughly $5 billion that is authorized to fund the Army Corps of Engineer projects to enhance and maintain ports, dams, locks, levees and canals. Senators have also included a funding package to help the residents of Flint, Michigan and other communities afflicted by tainted drinking water.

Although the House Transportation and Infrastructure Committee approved its own water infrastructure bill in May, House leadership has yet to schedule floor time. Without any anticipated delays, the Senate is expected to pass the bipartisan legislation this week.

**Survivors’ Bill of Rights**

In a unanimous vote of 399 to 0, the House passed H.R. 5578, the Survivor's Bill of Rights Act of 2016.

The bipartisan legislation would guarantee sexual assault survivors in federal criminal cases have a right to an evidence collection kit, to be notified in writing before the kit is destroyed, to request that the kit be preserved and to be informed of the results when the kit is tested for DNA. The bill would further ensure that survivors are not held financially accountable for the evidence collection.

Sponsors of the bill, Reps. Mimi Walters (R-CA) and Zoe Lofgren (D-CA), said that the measure would help establish a standard for people who face the varying laws surrounding sexual assault cases in jurisdictions across the country. By creating uniform guidelines at the federal level, states are encouraged to adopt similar measures. Alleviating the uneven patchwork of laws across the country and the lack of substantive rights for sexual assault survivors will ensure they have full access to the justice system.

The Senate unanimously passed a nearly identical bill in May that was authored by Senator Jeanne Shaheen (D-NH). The House and Senate bills now need to be reconciled to sort out minor technical differences before heading to President Obama’s desk for his expected signature.

**Family First Act**

The Senate did not take up H.R. 5456 prior to adjourning for the seven-week recess. An anonymous Senator continues to hold the Family First Prevention Services Act (H.R. 5456) from moving forward for consideration on the Senate floor. If any movement occurs, advocates will provide an update. The County did take an oppose position to the legislation as currently drafted.

**Purpose:**

- [ ] Report progress
- [ ] Advocacy or Education
- [ ] Request PAL Committee Recommendation or Position
- [x] Other: Federal legislative update
This item was informational only and required no Committee action.

II. State Legislative Update – Brownstein Hyatt Farber Schreck

The Legislature returned from their Summer Recess on August 1st for the last month of session and spent the last few weeks hearing bills on the floor and in committee. August 31st was the last day for the Legislature to send bills to the Governor, and marked the end of the 2015-16 Legislative Session. The Governor now has until September 30th to sign or veto all of the bills that have been sent to him by the Legislature. As of September 1st, there were nearly 800 bills on the Governor’s desk.

County Sponsored Legislation

AB 1702 (Stone), regarding commercially sexually exploited children, was signed into law by the Governor on August 17th and will take effect on January 1, 2017.

AB 2471 (Quirk), regarding health care districts, did not move forward at the decision of Assemblymember Quirk.

2016-17 Budget Update

In August, the Legislature passed the remaining budget trailer bills that they did not deal with in June. This included the No Place Like Home bond securitization (additional details below), transportation, public resources and energy trailer bills and a Cap-and-Trade expenditure plan (additional details below). On the other hand, the Governor’s $400 million By-Right proposal did not move forward. After months of unsuccessful negotiations and a surge of opposing advocacy groups calling for Governor Brown to release the funds, Assembly Speaker Anthony Rendon announced, in late August, that the attempts to create an affordable-housing package, that included the Governor’s By-Right proposal, was “dead” for the session.

No Place Like Home Bond Securitization

The No Place Like Home proposal will provide $2 billion from Proposition 63, the Mental Health Services Act (MHSA), to be awarded to counties to finance the acquisition, design, construction, or reconstruction of permanent supportive housing for individuals with mental illness who are chronically homeless. The second part of this proposal, the bond securitization language, was released in early August and placed in AB 1628. This bill outlines the process of diverting MHSA funds to finance and repay the $2 billion in bonds and was passed by the legislature in late August. This is one of the hundreds of bills awaiting the Governor’s signature.

Greenhouse Gas Emission Targets/Cap-and-Trade Expenditure Plan

On August 24th, the Legislature passed significant greenhouse gas emission reduction legislation, SB 32 and AB 197. These bills set new goals to reduce greenhouse gas emissions to 40% below the 1990 level by the year 2030 and establish additional oversight of the California Air Resources Board. On September 8th, Governor Brown signed both of these “historic” climate change bills into law. On the very last day of the two-year session, it was announced that an agreement between the Governor and Legislative Leaders had been reached on a Cap-and-Trade expenditure plan. With the future of the Cap-and-Trade program being uncertain, it was unclear if a deal would be reached this year. The previous two years the Governor and Legislative Leaders were unable to reach agreement and failed to pass an expenditure plan, leaving the money in the Greenhouse Gas Reduction Fund unallocated. The $900 million expenditure plan is aimed at reducing the state’s emissions, petroleum consumption and climate pollutants, enhancing energy efficiency programs, and targeting investment in disadvantaged communities where climate change is disproportionately impactful. Specifically, the plan includes $140 million for the Transformative Climate Communities program for cities and counties, and $2 million to assist disadvantaged communities and local governments with climate action plans.
The bill to implement the expenditure plan, AB 1613, was passed close to midnight on August 31st and is currently awaiting the Governor’s signature.

**Transportation Funding**

On August 18th, Senator Jim Beall and Assemblymember Jim Frazier released a unified transportation funding proposal. This proposal includes over $2.5 billion in new funding to be shared between cities and counties and also includes accountability and streamlining measures to enhance the delivery of transportation projects. The bills were amended into Senator Beall’s existing SBx1 1 and introduced in the Assembly Transportation Special Session as ABx1 26 (Frazier).

**State Controller’s July Cash Report**

The State Controller’s July Cash Report, released on August 11th, shows the fiscal year starting off significantly short of expectations, with July revenue coming in $591.3 million, or nearly 10%, below budget projections. Sales and use tax revenue last month was $694.5 million, $213.5 million below what the budget projected. Additionally, income tax revenue was $323 million under projections for July.

**Purpose:**
- [ ] Report progress
- [ ] Advocacy or Education
- [x] Request PAL Committee Recommendation or Position
- [x] Other: State legislative update

This item was informational only and required no Committee action.

**Request for Legislation Position – Action Items**

i. **Proposition 56 - Cigarette Tax to Fund Health Care, Tobacco Use Prevention, Research and Law Enforcement**
   
   **Recommendation: Support:** Rebecca Gebhart, Interim Director, Health Care Services

   **Purpose:**
   - [ ] Report progress
   - [ ] Advocacy or Education
   - [x] Request PAL Committee Recommendation or Position
   - [ ] Other

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

**III. Legislative report on SB 547 (Liu) Aging and long-term care services, supports, and program coordination**

Rebecca Gebhart, Interim Director, Health Care Services and Lori Cox, Director, Social Services Agency jointly recommended a support position for SB 547, which is covered by the 2016 Legislative Platform. Following the cancellation of the July 25th PAL meeting and during the Board of Supervisors’ recess, the Offices of the PAL chair and CAO reviewed the request and State Legislative Advocates proceeded by sending letters of support to legislators. SB 547 (Liu) is now with the Governor and a letter requesting his signature was also submitted to him on behalf of the County. Since the 2016 Legislative Platform covered this topic and letters have been sent on behalf of the County, the request is no longer for PAL support but to notify the PAL committee about the action that was taken during the Board’s recess per past practice.

This item was informational only and required no Committee action.

**PUBLIC COMMENT**

None.
Board of Supervisors’ Committees agendas are available via Internet at: www.acgov.org

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