

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

Monday, November 6, 2017
1:30 p.m.

Supervisor Keith Carson, Chair
Supervisor Wilma Chan

Location: *Board of Supervisors Chambers – Room 512 5th floor*
County Administration Building
1221 Oak Street, Oakland, CA 94612

Summary/Action Minutes

I. Federal Legislative Update – CJ Lake

The House and Senate are in session this week. The House will hold a multi-day tax reform markup while the Senate will focus on approving several nominations.

Appropriations

The current Continuing Resolution (CR) is set to expire on December 8 and there is speculation that Congress may pass another CR pushing the funding deadline from December 2017 back to January or February of 2018.

Senate Democrats have also sent a letter to Office of Management and Budget (OMB) Director Mick Mulvaney requesting an additional supplemental appropriations bill aimed at providing disaster relief for communities impacted by the recent hurricanes and wildfires.

Tax Reform

The House Ways and Means Committee released its tax reform plan last Thursday called the Tax Cuts and Jobs Act (H.R. 1). Some of the highlights from the bill include lowering the corporate tax rate to 20% from 35%, reducing the tax brackets from 7 to 4, increasing the Child Tax Credit to \$1,600 from \$1,000, doubling the exemption from the estate tax and repealing it after 6 years, repealing the deduction for state and local income taxes and sales taxes while preserving the property tax deduction up to \$10,000, and barring the sale of municipal bonds for professional sports stadium and privately run infrastructure projects. In addition, the House Republican conference has discussed using tax reform as the vehicle to remove the Affordable Care Act's individual mandate. House Republican leaders have not committed to this plan, but have said amendments may be offered during the markup that would repeal the mandate.

The Senate Finance Committee is expected to release its draft later this week. The House bill violates the Byrd rule because it adds to the deficit in ten years, therefore the current House bill in its current form cannot pass the Senate.

Immigration

The Republican tax reform legislation includes provisions that would now require a taxpayer to provide a work-eligible Social Security number, rather than an Individual Taxpayer Identification Number, in order to claim the child tax credit of \$1,000 per child (the bill would also increase this to \$1,600), or the American Opportunity Tax Credit, which offers up to \$2,500 in higher education expenses. IRS does not check citizenship status or work authorization to issue an ITIN, so the proposal would block most undocumented immigrants from claiming these tax credits.

The 2018 White House budget proposed the same change, and the Treasury Department's Inspector General estimated that tax filers without work authorization received approximately \$4.2 billion in refundable credits for tax year 2010, the most recent year for which an estimate is available.

On the DREAMer issue, Congressional Democrats could try to attach DACA legislation to appropriations vehicles that may be moving at the end of this year. However, President Trump told the Congressional Republican leadership last week he wants to keep DACA separate from any funding bill. Their plan would be to introduce DACA-fix legislation in February 2018, bundled with increased interior enforcement and border security proposals, ahead of the March 5, 2018 expiration date of the program.

CHIP/DSH

While the Children's Health Insurance Program expired on September 30, Congress still has time to pass an authorization before most states are projected to exhaust all their remaining CHIP funding. H.R. 3922, would extend CHIP funding for five years as well as provide \$1 billion to support Puerto Rico's Medicaid program. The bill also included an extension of authority for other health programs to include the Community Health Centers, and delays in the mandated FY18 and FY19 reductions in the Disproportionate Share for Hospitals (DSH) program. The House Energy and Commerce Committee passed the legislation (28-23) on partisan lines because Committee leadership could not reach an agreement on how to pay for the bill. It is worth noting that the Senate legislation addressing the CHIP reauthorization does not contain the DSH provisions or the other health program extenders.

Despite the disagreement over offsets, the House voted Friday approving the package by a margin of 242-174. We now expect conversations to begin between the House and Senate as to how the bill will be considered and believe a final version will be rolled into an appropriations vehicle in December.

Markup of Sex Trafficking Legislation

The Senate Commerce, Science, and Transportation Committee will hold a markup on Wednesday of the Stop Enabling Sex Traffickers Act of 2017. The legislation has bipartisan support and is the Senate companion bill to H.R. 1865, the Allow States and Victims to Fight Online Sex Trafficking Act of 2017.

Purpose:

- Report progress
- Advocacy or Education
- Request PAL_Committee Recommendation or Position
- Other: Federal legislative update**

Request for Legislation position – Action Item

- i. [Support the delay of federal Medicaid Disproportionate Share Hospital \(DSH\) Program funding reductions](#)

Recommendation: Support: Wilma Chan, Board of Supervisors, District 3

Recommendation: Support: 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.

II. State Legislative Update – Brownstein Hyatt Farber Schreck

Sacramento has shifted its focus to the June and November 2018 ballots, as several initiatives have been submitted. Some of the measures include Senate President Pro Tempore Kevin de León's \$45 billion water bond, Senator Jim Beall's \$4 billion veterans and affordable housing bond, multiple efforts to repeal SB 1,

an attempt to repeal California's sanctuary state law SB 54 and an effort to repeal the Costa-Hawkins Rental Housing Act.

More recently a public safety related initiative backed by Assemblymember Jim Cooper and Sacramento District Attorney Ann Marie Schubert was filed to do the following: 1) add 15 new offenses to the list of violent crimes, including human trafficking of a child, rape of an unconscious person and assaulting a police officer – offenders will no longer be eligible for early release under Proposition 57; 2) Reinstate DNA collection for offenders convicted of 7 drug and petty theft charges that were reduced to misdemeanors under Proposition 47; 3) Create a felony classification for serial theft on the third offense of stealing more than \$250 worth of goods; and 4) Require the State Parole Board to hold a parole revocation hearing for anyone who violates the terms of their parole three times.

SB 1 Gas Tax Increase

On November 1, 2017, the state gas tax increase of 12 cent per gallon instituted by SB 1 (Beall) went into effect in California. The tax increase at the pump will help raise more than \$5.2 billion annually to repair California's crumbling roads and bridges, enhance mass transit, reduce traffic and expand bike lanes. The state currently has a backlog of \$130 billion in transportation system repair and replacement projects. The additional expenses instituted by SB 1, an annual vehicle fee and in-lieu fee for electric car owners, will not become effective in until January 2018.

According to an analysis by the Department of Transportation, California residents should expect to pay about \$10 per month with the increased vehicle fees.

Deferred Action for Childhood Arrivals (DACA)

On November 1, 2017, California Attorney General Xavier Becerra, joined by the Attorneys General of Maine, Maryland and Minnesota, as well as the University of California, Dreamers and others, filed a motion seeking a preliminary injunction against the Trump Administration over its decision to end the Deferred Action for Childhood Arrivals (DACA) initiative.

The motion asks the District Court for the Northern District of California to block the Trump's rescission of DACA during the ongoing trial, arguing that California is likely to prevail in the case. Attorney General Becerra stated that ending the program is causing irreparable harm to DACA recipients and the States in which they live.

Disaster Relief Funding For California

On November 3, 2017, Governor Brown and 39 members of the California congressional delegation requested \$7.4 billion in federal funding for wildlife relief and recovery efforts in California, following the devastating October wildfires that killed 43 people and destroyed approximately 8,900 homes and commercial structures. The funding will flow to various federal cleanup, recover and assistance programs and will support housing, transportation, agriculture, environmental protection, local health services, long-term recovery planning, reconstruction and small business.

Under state funding, CalRecycle will dedicate \$35 million to debris removal and cleanup efforts, while the California Department of Toxic Substances Control will dedicate \$1.5 million to support hazardous waste cleanup operations. The funding will support debris removal and household hazardous waste cleanup at lots impacted by the fires. According to the Governor's office, household hazardous waste has already been removed from more than 3,000 lots and debris removal is starting in impacted counties. The state appropriation also includes \$5 million, managed by the California Department of Social Services, to aid wildfire victims who are not eligible to receive federal disaster assistance because of their immigration status.

Cannabis Survey to Local Governments – Response Needed

The Bureau of Cannabis Control (Bureau) – the lead agency in developing cannabis regulations in California- partnered with the California State Association of Counties (CSAC) to develop a cannabis

ordinance survey tool for local governments to complete and send back to the Bureau in order to help ensure local control when new cannabis laws go into effect. The survey aims to help counties identify a point of contact for the Bureau to verify ordinances and bans currently existing throughout California. This documentation will assist the Bureau in January 2018, when permitting applications begin to be submitted. A link to the survey was sent to CSAC's Board of Directors and the County Administrative Officers. The Bureau would like survey responses by November 13, 2017.

Center on Juvenile Justice and Criminal Justice

The Center on Juvenile Justice and Criminal Justice, a non-profit nonpartisan organizations whose mission is to "reduce society's reliance on incarceration as a solution to social problems", recently released a report entitled "Urban Crime Trends Remain Stable Through California's Policy Reform Era", which used recently released FBI crime data from the first six months of 2016 to compare rates of property and violent crime across cities and over time. The report suggests that crime patterns may be the result of local policies rather than from state policy reform, as crime rates varied drastically among California's 69 largest cities during the time frame examined. The report also finds that from 2010 to 2016, property crime rates fell more than 3% statewide irrespective of the implementation of widespread criminal justice reforms in California's recent history.

Institute for Local Government Webinar

On November 8, 2017, the Institute for Local Government will conduct an interactive webinar for counties, cities and special districts, regarding how public engagement can help build trust and develop sustainable policy within the community.

Hearings

On Thursday, November 9, 2017, the Senate Budget Fiscal Review Subcommittee 3 on Health and Human Services, will hold an oversight hearing regarding Achieving and Maintaining Adequate Provider Networks in Medi-Cal Managed Care. Additionally, the Senate Transportation and Housing Committee will hold an informational hearing to discuss jobs and the economy as they relate to transportation infrastructure projects.

Purpose:

Report progress

Advocacy or Education

Request PAL Committee Recommendation or Position

Other: State legislative update

PUBLIC COMMENT

None.

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