

Summary of Federal Legislative Report – June 19

Solano County's Washington representatives provided the Legislative Committee with an update on several key issues, including a status report on health care reform. With two weeks remaining before the July 4 recess, a small group of Republican senators continue to meet behind closed doors in an attempt to craft a bill to repeal and replace the *Affordable Care Act* (ACA). Senate Majority Leader Mitch McConnell (R-KY) has stated on numerous occasions that he wants the Senate to vote on a bill before June 30.

The vast majority of GOP members have not seen the legislative text, nor has Health and Human Services Secretary Tom Price. Furthermore, no Democrats have been involved in the bill drafting process and there are no plans to hold hearings or a markup of the legislation. Senate Republican leadership can only afford to lose the support of two of its members in order to pass a repeal bill.

Although there is no text currently available, the measure is expected to be similar to the House-passed *American Health Care Act* (AHCA; HR 1628). The Senate bill would maintain a capped approach to Medicaid and would end the ACA's Medicaid expansion. The issue for most moderate GOP members is not whether those provisions should be in the Senate bill, but whether the effective dates should extend past the 2020 date envisioned in the AHCA. Some Republicans argue that their states need more time to plan for the federal cuts to Medicaid, which, according to the Congressional Budget Office estimates of the House bill, would trigger a 25 percent cut in the federal Medicaid contribution in an average state.

In other developments, the House Ways and Means Committee recently discharged five bipartisan, no-cost child welfare bills. Each measure represents a section of the *Family First Prevention Services Act* (HR 253). The County Welfare Directors Association of California, the State Department of Social Services, and a number of child advocacy organizations in the state reviewed the bills and either supported the measures outright or had no significant concerns.

The full House is expected to adopt the bills on Tuesday, June 20 under suspension of the rules. The measures include extending the competitive grant program for initiatives providing substance abuse treatment grants to entities serving families who have children involved in the child welfare system (HR 2834); implementing model foster home licensing standards similar to California's system (HR 2866); using existing funding, extending Chafee independent living supports from age 21 to 23, and allowing educational vouchers to remain available up to age 26 instead of 23 (HR 2847); allowing states to use federal foster care funds to cover the cost of children living with their parents in family-based substance abuse treatment facilities (HR 2857); and, establishing an electronic case management system for expedited cross-state placement of children with relatives or an adoptive family (HR 2742).

The underlying *Family First Act* continues to be problematic for California and its counties, and Solano County's Washington representatives have made that known to Representative Mike Thompson, who serves on the Ways and Means Committee.

With regard to the federal budget, House and Senate committees have held a series of hearings in recent weeks to examine various aspects of the Trump administration's fiscal year 2018 budget request. Appearing before a number of key Appropriations subpanels have been cabinet secretaries and other administration officials who have been called to Capitol Hill to defend the budget plan submitted by the White House.

Looking ahead, congressional Republicans are wrestling with how to advance a fiscal year 2018 budget resolution, which would serve as a blueprint for this year's 12 appropriations bills. At this juncture, GOP Budget Committee leaders are floating a plan that would further increase defense spending above the \$603 billion proposed by the White House while keeping non-defense spending close to current levels. To help offset any increases in defense funding, House Republicans are considering the inclusion of highly specific budget reconciliation instructions that would compel authorizing committees to cut mandatory spending programs, such as food stamps and the Temporary Assistance for Needy Families (TANF) program.

Additionally, conservative House members are proposing to add work requirements of 100 hours per month for able-bodied adults who receive food stamps and Medicaid, while limiting waivers on existing work requirements under the TANF program. It's unclear how such proposals would fit into the context of the budget resolution.

For their part, congressional Democrats are aggressively pushing back against any potential changes in entitlement program funding. In addition, Democrats have repeatedly stated that any defense spending above the current statutory caps should be matched by comparable *increases* in domestic programs. It should be noted that any increases in defense or non-defense discretionary spending levels in fiscal year 2018 would require Congress to adopt changes to the 2011 *Budget Control Act* (BCA).

Finally, the Trump administration dedicated much of the week of June 5 to promoting the president's plans for modernizing the nation's infrastructure. The White House's self-proclaimed "Infrastructure Week" featured several DC-based events, as well as events outside of the nation's capital designed to draw attention to the need for increased infrastructure spending.

On June 7, the president held an event at a marina on the Ohio River in which he pledged to upgrade inland waterways, as well as roads, bridges, and other key elements of the nation's transportation system. Although the president discussed the administration's goal of leveraging \$1 trillion in investment to revitalize aging infrastructure, no new details on the ambitious spending plan were offered. Rather, a full legislative proposal is expected to be released by the administration sometime in the third quarter of the year.

Also as part of Infrastructure Week, the president announced the publication of a *Federal Register* notice (DOT-OST-2017-0057) seeking public input regarding the existence of regulatory obstacles that preclude the timely completion of infrastructure projects. Specifically, the U.S. Department of Transportation is soliciting input from stakeholders to help it identify requirements that the Department and its sub-agencies impose through rules – or interpretations found in policy statements or guidance – that unjustifiably delay or prevent completion of transportation projects (surface, maritime, & aviation). The Department's primary focus is on administrative items that it has the authority to change; however, if there are modifications that would be achievable only through legislative action, DOT is open to receiving proposed legislative changes as well.

Comments are due to DOT on or before July 24.