

## Monterey County Federal Issues/Bill Track 2015-16

Issue/Bill	Summary	Action
<b>Energy</b>		
Oil and Gas Fracking	<p>The Bureau of Land Management (BLM) issued a final rule on March 20, 2015, to regulate hydraulic fracturing for oil and gas development on federal land. The rule includes provisions governing well construction, wastewater disposal and disclosure of the chemical ingredients of fracking fluids.</p> <p>BLM's Hollister Field Office is developing an Environmental Impact Statement for a Resource Management Plan amendment that will address oil and gas development on public lands in the County.</p>	5/4/15 report to Leg Com;
Property Assessed Clean Energy (PACE) Program	<p>PACE is a local government financing program that allows a property owner to apply for funds to pay for energy efficiency and renewable energy improvements that will reduce their energy costs. The residential PACE program is tied up in the Federal court system over challenges to a 2010 directive by the Federal Housing Finance Agency (FHFA) regarding the impact of PACE programs on Freddie Mac and Fannie Mae loans. A regulation on PACE is pending at FHFA, hinging on final court decisions. The timing for reintroduction of a PACE-type bill in Congress is uncertain.</p>	Monitoring judicial process and Congressional activity
<b>Justice</b>		
Immigration Reform	<p>On November 20, 2014, President Obama announced his Immigration Accountability Executive Action that will provide deportation relief to nearly 5 million undocumented immigrants currently in the U.S. The executive action has been challenged in court by over two dozen states and a federal district court injunction currently bars the implementation of the policy.</p>	<p>2/24/15 meeting w/Rep. Farr;</p> <p>2/23/15 meeting w/Feinstein staff;</p> <p>2/23/15 meeting w/Rep. Kevin McCarthy staff</p>
Voting Rights Act	<p>The Supreme Court struck down Section 4 of the Voting Rights Act in <i>Shelby County v. Holder</i>. Section 4 contains the coverage formula that determines which jurisdictions are subject to the federal preclearance requirement in Section 5. Congress must enact legislation to create a new coverage formula in order for Section 5 to have any effect.</p>	Monitoring Congressional and DOJ activity

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State Criminal Alien Assistance Program (SCAAP)	<p>SCAAP is a grant program administered by the U.S. Department of Justice (DOJ) that partially reimburses state and local governments for the cost of incarcerating undocumented immigrants convicted of crimes. DOJ proposed to eliminate the program in its FY2016 budget request.</p> <p>Rep. Farr signed a letter on March 25, 2015, to House Appropriations Committee leaders in support of SCAAP funding.</p>	5/4/15 report to Leg Com;
<b>Healthcare</b>		
Medicare Payments to Physicians ("Doc Fix")	Bipartisan legislation to change how Medicare pays doctors was signed into law on April 16, 2015.	5/4/15 report to Leg Com;
Medicaid DSH Payments	<p>Natividad Medical Center (NMC) receives Disproportionate Share Hospital (DSH) payments through the Medicaid and Medicare programs to provide care to uninsured patients.</p> <p>The Doc Fix law delayed by one year a scheduled reduction in DSH payments to public hospitals.</p>	5/4/15 report to Leg Com;
<b>Tax</b>		
Municipal Bond Interest exemption	<p>The President's FY2016 budget recommends capping the tax-exemption of municipal bonds at 28%. A House draft tax reform proposal from 2014 would impose a 10% tax on otherwise tax-exempt municipal bond interest for taxpayers in the newly proposed 35% tax bracket.</p> <p>Rep. Farr signed a letter on March 27, 2015, to House leadership in support of municipal bonds.</p>	5/4/15 report to Leg Com;
Sales Tax Collection on Internet Sales	Legislation has been introduced to counter a 1992 Supreme Court decision and allow states to collect sales taxes from online retailers with more than \$1 million in annual sales. Online retailers are now required to collect state sales tax only for states where the retailer has a physical presence, such as a store or distribution center. The legislation would allow states to collect sales taxes from online retailers once they simplify their sales tax procedures and provide retailers with software that automates the collection process.	Monitoring Congressional activity

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	Senate passed bill on May 6, 2014, by a vote of 69-27.	
Transient Occupancy Tax (TOT)	Legislative proposals may be introduced to preempt state and local taxing authority over online travel companies.	Monitoring Congressional activity
<b>Transportation</b>		
Surface Transportation Act Reauthorization	Congress is developing legislation to reauthorize the federal surface transportation programs due to expire on May 31, 2015.	5/4/15 report to Leg Com;
<b>Water</b>		
California Drought	Legislation is expected to be re-introduced in the Senate and House to address the California drought.	Monitoring Congressional activity;
Carmel Lagoon	The County is developing a comprehensive strategy to address flooding in the Carmel Lagoon and improve species habitat in the Lower Carmel River.	Monitoring federal grant opportunities
Salinas River Channel Clearing	Monterey County Water Resources Agency is leading an effort to develop a consensus-based Comprehensive Salinas River Stream Management Program. Federal funding and permits from a variety of federal agencies will be needed to implement the project successfully.	
<b>Other</b>		
Payment In Lieu of Taxes (PILT)	The PILT program provides compensation to counties with tax-exempt federal land within their boundaries. A one year extension of full funding for PILT was included in the FY2015 Omnibus Appropriations bill.	Monitoring Congressional activity
Early Childhood Development Programs	The federal government funds many state/local programs that promote the physical health, social and emotional well-being, and educational opportunities of young children. Programs include: <ul style="list-style-type: none"> <li>• Temporary Assistance to Needy Families (TANF)</li> <li>• Child Care and Development Block Grant</li> <li>• Social Services Block Grant</li> <li>• Head Start (including Early Head Start)</li> <li>• Supplemental Nutrition Assistance Program (SNAP)</li> <li>• HUD Homeless Assistance</li> </ul>	Monitoring Congressional activity;
Visa Waiver Program	Legislation is expected to be introduced in Congress to increase security protocols in the Visa Waiver Program.	2/23/15 meeting w/Feinstein staff

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Workforce Innovation and Opportunity Act implementation	The U.S. Department of Labor has issued a proposed rule that establishes new standards for local workforce investment boards and one-stop operators.	5/4/15 report to Leg Com;
Base Realignment and Closure (BRAC)	The President's FY2016 budget request for the Department of Defense (DOD) calls for Congress to authorize an additional round of base closings in 2017. The House FY2016 National Defense Authorization Act rejects the President's request and does not authorize a new BRAC round.	5/4/15 report to Leg Com;
FY2016 Budget Resolution	Congress is likely to enact an FY2016 Budget Resolution that establishes spending and revenue targets for various committees in the House and Senate. The budget will also authorize an expedited legislative procedure for Congress to repeal the Affordable Care Act.	5/4/15 report to Leg Com;
FY2016 Appropriations		5/4/15 report to Leg Com;