



TO: Legislative Committee
FROM: Brent R. Heberlee
DATE: February 24, 2018
RE: Federal Legislative Update

This memo provides a Federal Legislative Update on the items appearing on the agenda for the January 29, 2018, Legislative Committee meeting.

A. FY2018 Budget

After a three-day government shutdown that began at 12:01 am on Saturday, February 20th, the Senate reached a deal on Monday, February 22nd to reopen the government and prolong the fight over DACA and immigration policy for at least another three weeks. The impasse broke after Senate Democrats accepted a deal from Majority Leader Mitch McConnell that would fund the government through February 8th. In exchange, Senate Democrats received a commitment from McConnell that if party leaders and the White House cannot reach a compromise on immigration beforehand, it's his "intention" to permit a Senate vote on an immigration measure after February 8th.

The three week continuing resolution (CR) passed by Congress also extends funding for the Children's Health Insurance Program (CHIP) for six years. Congressional budget experts recently found that, due to a quirk in federal spending on insurance subsidies, an even longer extension of CHIP would save the federal government up to \$6 billion. It's likely an extension of other federal health programs, such as the community health center program, or funding for opioid programs, could be paid for partly by the savings realized from another CHIP extension later in 2018.

Congressional leaders are also negotiating a deal to increase the spending caps for fiscal 2018 and 2019, which would pave the way for a full-year omnibus spending package. If a deal is reached, another short term CR would be needed to provide time to draft the omnibus spending bill, pushing the spending debate into March. In addition to spending and immigration issues becoming intertwined, the deadline is getting closer to the late February date set by the Treasury Department to raise or suspend the debt ceiling. Another CR could potentially tie together all three pieces of legislation on spending, the debt ceiling and immigration.

B. Immigration: Deferred Action for Childhood Arrivals (DACA) and Temporary Protective Status (TPS)

DACA -- Immigration negotiations are ongoing in the aftermath of the government shutdown between a large, bipartisan group of 26 senators who are attempting to craft a compromise plan

centered on providing relief to DACA beneficiaries. If there's no action by March 5th, the roughly 700,000 DACA recipients will begin to face the risk of deportation.

President Trump has yet to suggest where he may be willing to compromise, and nobody knows who's really in charge on the Republican side. The president has tied any solution on DACA to three other issues -- border security (i.e., funding for a border wall), ending the diversity visa lottery and restricting family preferences for legal immigration, a practice Republicans call "chain" migration. Democrats will have to decide how much they're willing to sacrifice on border security and immigration restrictions in the context of a DACA resolution.

To complicate matters further, House Republicans have said they are not going to be bound by any proposal that emerges from the Senate. House conservatives are insisting on a vote on a bill sponsored by House Judiciary Chairman Bob Goodlatte that would provide a temporary, three-year legal status for DACA recipients, \$30 billion for a border wall, an end to family-based immigration and the diversity visa lottery program, DOJ enforcement against sanctuary jurisdictions, and mandatory E-Verify for employers.

TPS – The United States offers humanitarian relief to foreign-nationals living in the U.S. in the form of Temporary Protected Status. TPS allows individuals to live and work in the U.S. while their country recovers from natural disaster, armed conflict, or other extraordinary circumstances which make it impossible to return.

On January 8, 2018, the Department of Homeland Security (DHS) revoked TPS for nearly 200,000 individuals from El Salvador. El Salvador is the fourth country in recent months to have its designation terminated, preceded by Haiti, Nicaragua and Sudan. DHS's decision to end the TPS designation for these countries will result in hundreds of thousands of people being forced to return to often devastating conditions in their home country, in turn separating families and disrupting local businesses and communities across the country.

C. Marijuana Enforcement Policy: Attorney General Sessions Memo

On January 4th, Attorney General Jeff Sessions issued a memo to all U.S. Attorneys that rescinds the Cole and Ogden memos put forth under the Obama Justice Department regarding federal marijuana enforcement policy. The Cole memo identified eight marijuana enforcement priorities that had been interpreted to create a safe harbor for the marijuana industry to operate in those states that had legalized marijuana use.

The Sessions memo effectively allows each U.S. Attorney to use his/her discretion to prosecute marijuana activities following "the well-established principles that govern all federal prosecutions," including "federal law enforcement priorities set by the Attorney General." The Acting U.S. Attorney for the Northern District of California, Alex Tse, has not commented publicly on how he intends to prosecute marijuana activities in his jurisdiction, which includes Monterey County.

On a related matter, 18 state attorneys general, including California AG Xavier Becerra, sent a letter to congressional leaders on January 16th urging Congress to consider legislation that would provide a safe harbor for financial institutions to provide banking services to the marijuana industry.

D. Interior Department Offshore Oil and Gas Development Proposal (Resolution)

On January 4th, the Trump Administration announced its plan to open all federal U.S. waters, including 90 percent of the nation's Outer Continental Shelf, for potential oil and gas exploration and development. The draft plan recommends two offshore oil and gas lease sales near the central coast of California. A public comment period on the proposal runs through March 9th. The County's congressional delegation strongly opposes the proposal.

Senator Dianne Feinstein sent letters to all California counties urging them to adopt resolutions opposing oil and gas drilling off the California coast. A draft resolution for consideration by this committee and the Board is attached for your review.

E. 2020 Census Question on Immigration Status (Letter)

The U.S. Department of Justice recently requested the U.S. Census Bureau to include a question on citizenship in the 2020 Census. The Census Bureau is expected to finalize the 2020 questionnaire by March 31st, and Census officials have said they are evaluating the DOJ request and will make a decision in consultation with the White House Office of Management and Budget. Commerce Secretary Wilbur Ross, who oversees the Census Bureau, has not commented publicly on the idea.

The Latino Caucus of California Counties sent a letter to Secretary Ross on January 16th expressing opposition to the citizenship question. A similar, draft letter for the Board's consideration is attached for your review.

F. S. 2771 – The Museum and Library Services Act of 2017 (Letter)

The County Librarian has requested this committee to consider supporting legislation to reauthorize Museum and Library Services Act, which would strengthen grant programs that have provided county libraries with nearly \$300,000 over the last five years. A draft support letter for S. 2771 is attached for your review.

Attachments:

- Draft Resolution - Offshore Oil and Gas Development
- Draft Letter – Citizenship Question on 2020 Census
- Draft Letter – Museum and Library Services Act
- Federal Bill/Issues Track