

December 6, 2016

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Honorable Board of Supervisors
Marin County Civic Center
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Re: 2017 LEGISLATIVE PLAN AND GUIDELINES

Dear Supervisors:

RECOMMENDATION: Approve, with modifications as deemed appropriate by your Board, the proposed:

- 2017 Federal Legislative Plan;
- 2017 State Legislative Plan; and
- 2017 Legislative Policy Guidelines contained in Attachment A

OVERVIEW

We bring to your Board the proposed legislative plan for the 2017 calendar year. As always, your Board retains the opportunity to amend the plan at any time during the year to reflect new or emerging legislative priorities, also acknowledging that Supervisor-elect Dennis Rodoni will take office in January to represent District 4.

This plan, including input from County departments, our Federal and State lobbyists, the Transportation Authority of Marin (TAM), Marin Transit District, Sonoma-Marín Area Rail Transit (SMART) and your Board, gives staff the opportunity to react quickly to legislative issues consistent with your Board's priorities and policy guidelines. We will be highlighting our proposed legislative priorities in 2017 consistent with your Board's priorities in the following focus areas:

- Addressing issues of equity and income inequality, including access to quality and affordable health care,
- Mitigating climate change and adapting to sea level rise,
- Preserving and expanding affordable housing, and
- Increasing investments in roads and public infrastructure.

FEDERAL PLATFORM

With the new Trump Administration taking office in January, priorities at the federal level are likely to change significantly given his campaign's promises to repeal and replace the Affordable Care Act (ACA), slow or reverse efforts to mitigate Climate Change, and efforts to restrict immigration. With approximately \$40 million of our budget comprised of federal revenues, this proposed federal platform takes a much more defensive posture than in recent years. Our potential exposure could be greater given State matching requirements or pass-through of federal funds through the State. We will work with Health & Human Services during the year to assess potential impacts as more specific proposals are introduced.

We're likely to see some period of uncertainty as the Administration transitions leadership and appointments at the federal level from the Obama Administration. While we cannot predict everything that could happen in a Trump Administration with

Republican majorities in both houses, we will be prepared to return to your Board with any significant policy issues as may be necessary throughout the coming year.

We anticipate that we will need to focus on protecting safety net funding for those most in need in our communities, particularly regarding access to affordable health care. Under the ACA, for example, more than 50,000 Marin County residents have benefited from new or expanded health care coverage, including nearly 12,000 in the Covered California exchange and 39,000 in Medi-Cal. We will also work to oppose any efforts to reverse course on protecting the environment, planning for sea level rise, and/or mitigating Climate Change. At the same time, we'll need to position ourselves to take advantage of potential opportunities where they may arise, including, for example, Administration proposals to increase investments in our nation's infrastructure. President-elect Trump promised during his campaign to invest \$1 trillion of new infrastructure spending in the U.S. economy over 10 years.

In acknowledgement of continued fiscal challenges at the Federal level, including a ban on earmarks since 2011, Federal funding for local projects has been severely constrained. However, the draft legislative plan continues to indicate our top fiscal priorities in case any opportunities should arise over the course of the next year. Priorities at the federal level include the following:

- Supporting **equity and income inequality** by supporting efforts to increase the federal minimum wage, opposing immigration reform efforts that would eliminate a pathway to full and equal citizenship or that would restrict the rights of immigrants or break up families, and preserving access to affordable health care and safety net funding – focusing on the federal Affordable Care Act, Medicaid (Medi-Cal in California) and Medicare programs;
- Preserving efforts and partnerships that would **mitigate the effects of climate change and support adaptation to sea level rise**, including funding for wetland restoration projects, levee reconstruction or similar structural resilience measures, and flood control or watershed protection efforts;
- Consistent with efforts to preserve **affordable housing**, supporting efforts to protect federal Housing and Urban Development (HUD) program funding, including the Community Development Block Grant (CDBG) program, Home Investment Partnerships (HOME) Program, and the Section 8 program; and
- Increasing investments in **roads and other public infrastructure**, supporting Highway 101 multi-modal corridor projects, and support for a stronger and more sustainable federal investment in surface transportation.

STATE PLATFORM

The State's financial position remains relatively strong, led by the Bay Area economy. In its FY 2017-18 California Fiscal Outlook, the Legislative Analyst's Office predicts a positive FY 2017-18 budget outlook with reserves of \$11.5 billion at fiscal year-end, enough to ensure that the State could fund nearly all of its projected operating deficits through FY 2020-21 under a mild recession scenario. Recent voter approval of Proposition 52, regarding the Medi-Cal Hospital Fee Program, and Proposition 55, a Tax Extension for Education and Healthcare, are victories for the Governor and help to maintain some ongoing budget stability, though forecasts beyond FY 2017-18 are more uncertain due to unpredictable economic conditions and stock market volatility.

The Governor is likely to be focused for his last two years on maintaining and building his legacy – prioritizing a balanced budget, establishing healthy reserves for the next

downturn, and making progress on his two infrastructure initiatives: high speed rail and water conveyance. As a result, the Governor will likely remain restrained with respect to any new program spending proposals for FY 2017-18.

It remains to be seen how a shift in federal priorities will impact the State budget, most notably including efforts to repeal the Affordable Care Act or to roll back Climate Change efforts. Governor Brown has pledged to 'lead the U.S. on climate change' irrespective of President-elect Trump's promises to reverse course. Staff will closely monitor the Governor's proposals, some of which may be unveiled as soon as January 10th with his Proposed Budget for FY 2017-18.

2017 State Platform Highlights

While we are not at this time recommending any Marin County sponsored bills for 2017, we anticipate focus in the following areas consistent with your Board's priorities:

- Addressing issues of **equity and income inequality** by supporting quality and more universal pre-school, increased day care slots and child care reimbursement rates; preserving access to affordable health care and safety net funding; and efforts to provide high-speed internet to seniors, rural and other underserved communities;
- Enhancing efforts to **mitigate climate change and adapting to sea level rise**, including support for clean/renewable energy and funding for sea level rise planning and adaptation;
- Preserving and expanding **affordable housing**, and working with regional stakeholders to help find solutions to homelessness in Marin and the Bay Area; and
- Increasing investments in **road and public infrastructure**, including a State transportation funding fix for local streets and roads, and exploring with the Transportation Authority of Marin (TAM) efforts to give local voters the option to consider an increased countywide sales tax for local transportation priorities in the face of declining state and federal funding for transportation.

Staff will continue efforts to coordinate with TAM, SMART and Marin Transit regarding legislative advocacy for countywide transportation issues to better ensure local coordination of priorities among our delegation. As always, the County's Federal and State legislative advocacy resources will also remain available to assist in the implementation of your Board's most critical countywide projects and issues.

With your Board's approval, including any amendments to the plan, we will work with Assembly Member Marc Levine and State Senator Mike McGuire to ensure that they are aware of your Board's priorities and concerns going into 2017. While our plan includes initiatives that may not be achievable in the short-term, as opportunities arise the plan provides policy direction to guide our legislative program in a manner consistent with your Board's long-term vision for the County.

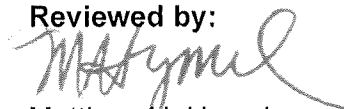
Please feel free to contact us should you have any questions or concerns.

Submitted by:



Daniel Eilerman
Assistant County Administrator

Reviewed by:



Matthew H. Hymel
County Administrator