

ATTACHMENT A

REPORT

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TO: Santa Barbara County Board of Supervisors

DATE: January 6, 2017

FROM: Thomas P. Walters

2016 ANNUAL REPORT

The second session of the 114th Congress quickly became dominated by partisan jockeying in anticipation of the November Presidential and Congressional elections. In addition to the constant distractions from the very tumultuous Presidential primary campaigns, the Congressional work schedule in Washington, DC was one of the lightest in recent years as members of both Houses and both parties preferred to attend to their own campaign-related matters back home. A variety of initiatives fell by the wayside either because of lack of inertia or lack of time, and anticipated action on several issues in the Lame Duck session – including completion of the FY 2017 appropriations process – was deferred until 2017 after Republicans not only took over the Executive Branch but maintained their majorities in the House and Senate. The latter resulted in enactment of a long-term Continuing Resolution funding Federal programs at FY 2016 levels thorough April 28, 2017, which could easily be extended to encompass the full fiscal year.

Within this context, we worked throughout the year to aggressively advocate your Board's priorities on a wide range of policies and issues impacting the County's fiscal stability and delivery of services, as addressed in this report. We lobbied these issues with Congressional members, staff and Administration representatives. We also worked closely with other relevant stakeholders on these issues, and during their respective trips to Washington, DC, arranged meetings for Board members and various County officials to advocate on critical issues. And despite the election-year constraints, there were still a number of legislative accomplishments of significance to your Board and the County's mandated responsibilities. These included:

- Enactment of the *Mental Health and Safe Communities Act*, authorizing grants for collaboration amongst the criminal justice, mental health treatment, and substance abuse systems;
- Passage of the *Opioid Abuse Reduction Act* to authorize grants for State and local governments to provide a broad array of opioid abuse-related services, and inclusion of \$500 million for these activities in the *FY 2017 Further Continuing Appropriations Act*;
- Inclusion in the *Water Resources Development Act* of provisions to address the ongoing drought in California;

- Approval of the *Housing Opportunity Through Modernization Act*, making numerous changes to housing programs, including public housing, housing choice vouchers, and project-based rental assistance;
- Passage of the *Mental Health and Safe Communities Act*, authorizing grants for collaboration amongst the criminal justice, mental health treatment, and substance abuse systems;
- Reauthorization of the Justice For All Act, including the Crime Victims' Rights Act and the Coverdell Forensics Science Improvement Grant Program; and,
- Inclusion of provisions providing fines for drone interference with wildfire suppression efforts in legislation to extend the existing authority for FAA.

Funding for specific projects in general and Santa Barbara County proposals and projects in particular was limited by the continuation of the moratorium on earmarks. Nevertheless, the County was awarded several Federal grants and reimbursements, including:

- \$1.82 million under the Payments in Lieu of Taxes (PILT) program;
- \$1.35 million in total via two Department of Justice grants for the development and implementation of a Human Trafficking Task Force;
- \$1.30 million to stakeholders under the jurisdiction of the Santa Barbara/Santa Maria Continuum of Care for homeless prevention programs;
- \$1.08 million through HUD's Community Development Block Grant program;
- \$750,000 under the Cooperative Endangered Species Fund for conservation easements to permanently protect critical habitat;
- \$730,862 under the HOME program;
- \$318,334 reimbursement for the incarceration of criminal undocumented aliens under the State Criminal Aliens Assistance Program (SCAAP);
- \$142,614 in Emergency Solutions Grant (ESG) funding;
- \$80,536 from HHS for IT enhancements at County health centers; and,
- \$65,682 under the Edward Byrne Memorial Justice Assistance Grant program.

In total, we provided the County with 35 potential Federal grant opportunities, 42 priority bills of potential concern, 105 rules and regulations with potential impact on County responsibilities, and 81 miscellaneous items, such as committee testimony, research reports, press releases, and agency notices.

A number of issues of significance to the County of Santa Barbara will be in the forefront as President-elect Trump is sworn into office and the 115th Congress quickly moves ahead with its agenda. These include: repeal and replacement of the Affordable Care Act; infrastructure initiatives; immigration; regulatory relief; trade relationships, the over-haul of safety net programs; and restructuring of the Tax Code. With the retirement of Congresswoman Capps and Senator Boxer, Senator Feinstein will be joined in the County's Congressional delegation by Congressman Carbajal and Senator Harris, and we will work closely with all three offices on behalf of the County's priorities in Washington, DC.

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Agricultural Issues

We advocated for the highest possible levels of funding for Department of Agriculture programs of importance to the County through the annual appropriations process, including the areas of pest detection and food safety. While the House and Senate Appropriations Committees both marked up and approved their versions of the *FY 2017 Agriculture Appropriations* bill, neither completed work on the measure, and Ag programs are funded under the *FY 2017 Further Continuing and Security Assistance Appropriations Act* at FY 2016 funding levels through April 28, 2017. These include: \$27.5 million for Pest Detection & Prevention Programs; \$158 million in funding for Specialty Crop Pest; and \$1.01 billion for food safety and inspection.

Emergency Preparedness and Response

The Department of Homeland Security is traditionally one of the first appropriations bills taken up, and we contacted the House and Senate Homeland Security Subcommittees to advocate for the County's priorities, urging them to adequately fund local emergency response and disaster preparedness activities, including funding to address the needs of public safety, public health, emergency management personnel, and communications infrastructure. We also asked them to fund the Assistance to Firefighters Grant (AFG) program at the highest possible level, and emphasized the critical importance of Emergency Management Performance Grants to the County's emergency preparedness responsibilities.

As in recent years, the Administration's FY 2017 Budget Request for FEMA proposed to consolidate funding for State and local preparedness and response programs, which would result in an overall 35% reduction in funding for those programs, including a 57% cut for the State Homeland Security Grants program (SHSGP). SHSGP is used for funding local public safety and disaster planning, equipment, training and exercises in California. We urged the appropriators to once again reject the proposal, and also alerted Congresswoman Capps and Senators Boxer and Feinstein regarding its potential impacts.

When the Senate Appropriations Committee drafted its version of the *FY 2017 Homeland Security Appropriations* bill, it pointedly rejected the Administration's proposal to condense all State and Local Programs into a single National Preparedness Grant Program (NPGP), and the House committee followed suit. Under the *FY 2017 Further Continuing and Security Assistance Appropriations Act* funding the government through April, 2017, DHS programs will continue to be funded at the FY 2016 levels, including: \$600 million for the Urban Area Security Initiative (UASI); \$467 million for State and Local Homeland Security Grants; \$690 million for Firefighter Assistance Grants; \$350 million for Emergency Management Performance Grants (EMPG), and \$75 million for the National Pre-Disaster Mitigation Fund.

Environment and Land Use

Land Into Trust – Camp 4

Throughout the year we continued to lobby the County's opposition to Congressman LaMalfa's (R-CA) H.R. 1157, to authorize the transfer of the Camp 4 property into trust for the Santa Ynez Band of Chumash Mission Indians legislatively instead of through the administrative process. We reiterated the County's concerns to House

Natural Resources Committee Chairman Bishop (R-UT), Indian Affairs Subcommittee Chairman Young (R-AK), and subcommittee members, and met with Chris Fluhr, Majority Staff Director for the Subcommittee, to register the County's position and discuss potential action on the bill. While companion legislation was not introduced in the Senate, we met with staff for Senate Committee on Indian Affairs Chairman Barrasso (R-WY), to brief them on the Camp 4 situation, and also met with Indian Affairs staff for Senators Boxer and Feinstein regarding Camp 4. In particular, we kept all parties apprised of the Ad Hoc Subcommittee meetings initiated by the Board with the Chumash, emphasizing the County's efforts to continue the negotiations.

Despite these efforts and the efforts of other advocacy groups, the Natural Resources Committee approved H.R. 1157 in July, with Congresswoman Capps as the only dissenting vote. Subsequently, we arranged and participated in meetings in Washington, DC for Supervisor Adam and Chief of Staff Nelson to advocate the County's position, including meetings with House Majority Leader McCarthy's (R-CA) office, House Minority Leader Pelosi's (D-CA) staff, both the House and Senate Committees, and our local delegation offices. We re-focused our strategy to discourage the use of the "suspension calendar" expedited process for floor consideration of H.R. 1157, emphasizing the County's ongoing commitment to the negotiations process, and the complex nature of the situation. We also continued to follow up with all individuals that Supervisor Adam met with, providing agendas and minutes from Ad Hoc Subcommittee meetings and relevant related information. Ultimately, the House adjourned without further consideration of H.R. 1157, effectively killing the legislation in the 114th Congress.

Land Into Trust Process Reform

We continued to monitor Congressional efforts to address the fee-to-trust process and to provide relevant information to the County for analysis. Last year, Senate Indian Affairs Committee Chairman Barrasso (R-WY) introduced S. 1879, the *Interior Improvement Act*, to update and modernize the Department of the Interior's trust land acquisition process for Indian tribes. The bill was intended to encourage local cooperation and better transparency from the Bureau of Indian Affairs regarding fee-to-trust applications by tribes, and included provisions incentivizing the use of cooperative agreements with local governments. While CSAC was involved in the development of S. 1879, it expressed concerns over the legislation as introduced. In mid-January, we attended a forum of County stakeholders put together by NACo and CSAC to discuss the Barrasso bill, with CSAC providing follow-up recommendations to the Committee. In June, Chairman Barrasso issued the Committee Report to accompany S. 1879, and the bill was placed on the Senate Legislative Calendar under General Orders. Although Chairman Barrasso indicated he would attempt to schedule floor action on the proposal before the end of the 114th Congress, the bill was never taken up by the full Senate and will have to be re-introduced in 2017 for further action to take place.

Payments in Lieu of Taxes (PILT)

We worked in coordination with NACo to ask Senators Boxer and Feinstein and Congresswoman Capps to sign onto bipartisan letters in support of full funding for the Payments in Lieu of Taxes program through the FY 2017 appropriations process. The letters were sent to the leadership of the House and Senate Appropriations Committees, and all three agreed to co-sign in support of PILT Funding. We also contacted

the committees directly to advocate for full funding for the program, and submitted formal programmatic requests regarding PILT to Senator Feinstein in her role as a member of the Senate Appropriations Committee. The Department of Interior subsequently announced FY 2016 payments under PILT, and we were informed that Santa Barbara County would receive \$1,823,636 from PILT for FY 2016, a \$170,000 increase over the previous year.

When the House Appropriations approved the *FY 2017 Interior, Environment and Related Agencies Appropriations* bill, it included \$480 million for PILT, a \$28 million increase over the previous year. The Senate followed suit when it marked up and approved its Interior spending measure. Subsequently, we joined NACo in successfully advocating against amendments to decrease PILT funding during floor debate on the House Interior spending measure. However, under the *FY 2017 Further Continuing and Security Assistance Appropriations Act*, Interior programs will be funded at previous year's level through April 28, 2017, with PILT receiving \$452 million.

Drought Relief

We continued to monitor efforts to address ongoing drought impacts in California, including Senator Feinstein's S. 2533, the *California Long-Term Provisions for Water Supply and Short-Term Provisions for Emergency Drought Relief Act*. S. 2533 included provisions to ease limits on water transfers and authorize \$1.3 billion for desalination, water recycling, and storage. In the House, Republicans viewed S. 2533 as being too focused on environmental impacts, and continued to insist on the provisions of H.R. 2898 the *Western Water and American Food Security Act*, drought-relief legislation that the House had passed the previous year. H.R. 2898 focused on the release of more water from the Central Valley Project and the State Water Project.

As one of the final actions of Congress during the Lame Duck session, House and Senate leadership negotiated a diverse package of water and natural resources initiatives that were collectively introduced as S. 612, the *Water Infrastructure Improvements for the Nation Act*. As part of this effort, California drought relief provisions largely negotiated by Senator Feinstein and House Majority Leader McCarthy were included as subtitle J of S. 612. These provisions include changes to federal water operations in California and authorization of water storage, desalination, and water recycling programs. S. 612 was signed by President Obama on December 16.

Habitat Conservation Funding

In September, the US Fish and Wildlife Service announced its FY 2016 awards under the Section 6, Cooperative Endangered Species Conservation Fund program. We were informed that this year's awards included \$750,000 for conservation easements to permanently protect 3 parcels on the Careaga Canyon Ranch property, one of the largest undeveloped areas of riparian, oak woodland, grassland, and scrub habitats between existing coastal and inland natural areas of Santa Barbara County. Funding under Section 6 is highly competitive, with only \$44.8 million allocated in FY 2016.

Homelessness, Housing and Community Development

Homelessness

Last in 2015, we provided the County with the Department of Housing and Urban Development (HUD) Notice of Funding Availability (NOFA) for the FY 2015 Continuum of Care Program Competition. When HUD Secretary Castro announced in March that \$1.6 billion in CoC grants were being awarded to support nearly 6,400 local homeless housing and service programs across the country, we were informed that stakeholders in Santa Barbara County would receive a total of \$1.3 million in CoC funding. This funding can be used for street outreach, client assessment, and direct housing assistance. The overall funding for FY 2015 was \$200 million less than in the previous year, and 2000 fewer awards were made. HUD subsequently recently released its NOFA for FY 2016 funding, and we provided the County with the NOFA and information regarding its focus for the coming competition.

We worked with the National Alliance to End Homelessness to advocate for increased funding for homeless assistance throughout the FY 2017 appropriations process, urging House and Senate appropriators to include the highest level possible in the final version of the HUD spending measure. Since work was not completed on the *FY 2017 Transportation, Housing and Urban Development (HUD), and Related Agencies Appropriations* bill, funding for Homeless Assistance grants was extended through April 28, 2017 at the FY 2016 level of \$2.25 billion by the *Further Continuing and Security Assistance Appropriations Act*.

Housing and Community Development Resources

In February, HUD Secretary Castro announced FY 2016 formula allocations for community planning and development programs, based on enacted levels of funding. We learned that Santa Barbara County was allocated \$1.075 million in CDBG funding \$142,614 in Emergency Solutions Grant (ESG) funding and \$730,862 under the HOME program.

As work began on FY 2017 appropriations, we contacted the House and Senate Appropriations Committees, Congresswoman Capps, and Senators Boxer and Feinstein to advocate for housing and community development programs of significance to the County in the *FY 2017 Transportation, Housing and Urban Development (HUD), and Related Agencies Appropriations* bill. We also asked our delegation to sign on to “Dear Colleague” letters to the appropriators in support of funding for the Community Development Block Grant (CDBG) and HOME programs.

While the House and Senate Appropriations Committees both completed work on their respective versions of the *Transportation, Housing and Urban Development (HUD), and Related Agencies Appropriations* bill, a final conference agreement was never negotiated and FY 2017 funding for HUD programs is currently authorized at FY 2016 levels through April 28, 2016 under the *FY 2017 Further Continuing and Security Assistance Appropriations Act*. FY 2016 funding levels for programs of significance to the County included: \$3 billion for CDBG; \$950 million for HOME; \$2.25 billion for Homeless Assistance grants; \$335 million for Housing Opportunities for People with AIDS (HOPWA); \$60 million for HUD-Veterans Affairs Supportive Housing Program (HUD-VASH); \$432.7 million for elderly housing; and \$19.6 billion for Section 8 vouchers.

We alerted the local House delegation to impending floor action on Congressman Luetkemeyer's (R-MO) H.R. 3700, the *Housing Opportunity Through Modernization Act*, which made numerous changes to housing programs, including public housing, housing choice vouchers, and project-based rental assistance. We also provided County staff with the House Financial Services Committee's report to accompany the measure, including a section-by-section discussion of the bill. With strong support from national housing advocacy groups, H.R. 3700 was approved by a vote of 427-0. The Senate subsequently approved the measure by unanimous consent without amendment, and President Obama signed it into law on July 19.

Public Health

Funding for County Health Care Programs

In September, Health and Human Services (HHS) Secretary Burwell announced more than \$87 million in funding for 1,310 health centers across the country for information technology enhancements. We were informed that the County of Santa Barbara will receive \$80,536 under the program. The funding is to be used to support health information technology enhancements to accelerate health centers' transition to value-based models of care, and improve efforts to share and use information to support better decisions.

As the FY 2017 appropriations process began in earnest, we contacted the House and Senate Appropriations Committees to advocate in support of public health programs in the *FY 2017 Labor, Health and Human Services, Education and Related Agencies Appropriations* bill. We also urged them to provide adequate funding for State and local bioterrorism preparedness and bioterrorism hospital grants. The Labor/HHS spending measure is usually one of the most controversial funding bills, and there was some debate about if and when it would be drafted. However, the Senate committee began work on its version in late spring, marking up and approving its draft in early June, and the House committee marked up its draft just prior to the July recess for the national political conventions. Consistent with the parameters enacted for both FY 2016 and FY 2017 in the *Bipartisan Budget Act of 2016*, funding programs of significance to the County was similar to the previous year, and as a result of the *FY 2017 Further Continuing and Security Assistance Appropriations Act* approved in the Lamé Duck session, FY 2016 funding levels will remain in place through April 28, 2017. These include: \$1.49 billion for community health centers; \$1.78 billion for substance abuse block grants; \$459 million for immunizations; \$511.5 million for mental health block grants; \$900 million for the AIDS Drug Assistance Program (ADAP); \$638.2 million for the Maternal and Child Health Block Grant; and \$600 million for Public Health Preparedness Block grants.

We contacted the House Energy and Commerce Committee and our local delegation to advocate against H.R. 4725, the *Common Sense Savings Act*, which includes provisions that would have eliminated certain existing Medicaid payments when an inmate's acute condition requires in-patient medical care not available with the jail itself. The exiting law is one of the few instances when Federal funding can be used for inmate health care. H.R. 4725 would also have eliminated the Prevention and Public Health Fund, imposed new limits on States' ability to finance the non-Federal share of Medicaid, and cut the Children's Health Insurance Program (CHIP). The

bill was marked up and approved by the House Energy and Commerce Committee in March, but the committee never issued its report to accompany the action and the measure died. However, the Prevention and Public Health Fund was reduced by \$3.5 billion over 10 years in the *21st Century Cures Act* to pay for a variety of provisions included in that measure.

Mental Health

We contacted the House Energy and Commerce Committee regarding H.R. 2646, the *Helping Families in Mental Crisis Act*, and also discussed the legislation with Congresswoman Capps. Introduced by Congressman Murphy (R-PA), the bill's goal was to overhaul the mental health system to make needed psychiatric, psychological, and supportive services available for individuals and families in mental health crisis. It initially had broad bipartisan support, but concerns developed during subcommittee consideration regarding privacy protections and court-ordered treatment. Chairman Upton (R-MI) did not schedule full Committee consideration pending behind-the-scenes negotiations on the issues in dispute. Following the successful completion of those negotiations, the Energy and Commerce Committee marked up and unanimously approved H.R. 2646 in June. In anticipation of House floor action on the measure, we reiterated the importance of increased Federal resources for local mental health services, and urged support for the bill. It was approved on July 6 by a vote of 402-2.

In the Senate, two bills of significance were introduced to overhaul the mental health system: HELP Committee Chairman Alexander's (R-TN) S. 1893, the *Mental Health Awareness and Improvement Act*; and Senator Cassidy's (R-LA) S. 1945, the *Mental Health Reform Act*. The two bills were eventually coalesced into S. 2680, the *Mental Health Reform Act*, which was approved by the Senate Committee on Health, Education, Labor and Pensions (HELP) in March. A major stumbling block on further Senate action was a proposed amendment by Senate Majority Whip Cornyn of Texas that included provisions to restore certain gun purchasing rights to previously institutionalized individuals who were later deemed mentally competent. Senator Cornyn agreed to drop that provision in the fall, opening the door to further action in the Lame Duck session. House and Senate conferees included the House-passed *Helping Families in Mental Crisis Act* in the final conference agreement on the *21st Century Cures Act*, which was signed into law by President Obama on December 13.

340B Drug Pricing Program

Throughout the year we worked in conjunction with national stakeholders to advocate in support of the 340B Drug Pricing Program, including contacting the House Energy and Commerce Health Subcommittee and discussing the importance of the program to community health centers in the County with Congresswoman Capps. In the fall, we once again reiterated the importance of the 340B program, and expressed concerns that the Health Resources and Services Administration's (HRSA) proposed Omnibus Guidance for 340B may implement restrictions that could jeopardize the effectiveness of the program. The proposal was forwarded to the Office of Management and Budget (OMB) for final review on September 1, and we asked them to urge OMB and HRSA to fully analyze and disclose the fiscal impacts the Guidance would have on the drug costs to providers before continuing action.

Childhood and Women's Health

As the appropriations process began, we lobbied the House and Senate Appropriations Committees for WIC funding in the *FY 2017 Agriculture Appropriations* bill. We also asked our delegation to support a "Dear Colleague" letter in support of the highest level of funding for WIC. Both the House and Senate committees recommended \$6.35 billion for WIC, the same level as FY 2016 which is considered to be full funding. The program will continue to be funded at that level through April 28, 2016 under the long-term Continuing Resolution approved in the Lame Duck session.

We also urged the House and Senate Appropriations Committees to support funding for the Title V Maternal and Child Health Block Grant in the *FY 2017 Labor, HHS, Education and Related Agencies Appropriations* bill. The Senate committee proposed a slight increase in the Title V program, while the House included level funding of \$638.2 billion, the level at which it will be funded through April, 2017 under the Continuing Resolution.

Drug Abuse – Opioid Epidemic

Congressional efforts that had begun in 2015 regarding the so-called "opioid epidemic" continued into 2016, and early in the session we contacted the Senate Finance Committee regarding Senate Grassley's (R-IA) S. 2565, the *Protecting Families Affected By Substance Abuse Act*, to reauthorize grants to assist children affected by methamphetamine, opioid, or other substance abuse under the promoting safe and stable families program. We discussed the legislation with both Senator Boxer's and Senator Feinstein's staff, including the continuing increase in drug-related incidences affecting children and families. We also discussed S. 524, the *Comprehensive Addiction and Recovery Act*. The measure included provisions authorizing the Department of Justice (DOJ) to award grants to state, local, and tribal governments to provide opioid abuse services, including enhanced collaboration between criminal justice and substance abuse agencies. S. 524 was approved by the full Senate on March 10 by an overwhelming vote of 94-1.

Taking a piecemeal tack instead of a single omnibus bill, the House approved a package of 18 bills in May also intended to combat both prescription opioid and heroin abuse, including H.R. 5046, the *Comprehensive Opioid Abuse Reduction Act of 2016*, to authorize the Department of Justice to award grants to state and local governments such as the County to provide a broad array of opioid abuse services. Following the House action, a joint conference committee was convened to negotiate a final bill with the Senate. The resulting conference agreement was approved overwhelmingly as S. 524 by both the House and Senate, and signed into law by President Obama on July 22. Subsequently, the final version of the *21st Century Cures Act* negotiated in the Lame Duck session built on S. 524 by authorizing an additional \$1 billion over 2 years for grants to supplement opioid abuse activities, including drug courts, and the *FY 2017 Further Continuing and Security Assistance Appropriations Act* provided an additional \$500 million for FY 2017.

Public Safety

Immigration Impacts on Public Safety

We provided the County with the Bureau of Justice Assistance (BJA) requirements for seeking reimbursements for costs associated with incarceration of illegal alien

criminals under the State Criminal Alien Assistance Program (SCAAP). Applications were due in April, and this fall we were informed by BJA that the County of Santa Barbara will receive \$318,334 under the FY 2016 program, a 49% increase over FY 2015.

As in previous years, we worked with CSAC on a letter from the California Congressional delegation in support of FY 2017 funding for SCAAP, urging the local Congressional delegation members to co-sign the letter to the House Appropriations Subcommittee on Commerce, Justice and Science in anticipation of work later in the spring on drafting next year's spending bill. The President's FY 2017 Budget Request once again proposed elimination of SCAAP, leaving it to Congress to reinstate funding to State and local governments to defray some of the costs of incarcerating illegal aliens. When the House approved the *FY 2017 Commerce, Justice, and Science Appropriations* bill, it included a \$64 million increase for SCAAP to \$274 million, 30% more than in FY 2016. However, the Senate committee proposed reducing the program by \$110 million to \$100 million. SCAAP funding will remain at the FY 2016 level of \$210 million under the Continuing Resolution funding the government through April, 2017.

Public Safety Funding

Early in the year, we provided the County with the joint announcement from the Bureau of Justice Assistance (BJA) and Office of Victim Assistance (OVA) regarding funding under the FY 2016 Enhanced Collaborative Model to Address Human Trafficking Program. In September, Attorney General Lynch announced \$44 million in grants under the program, including:

- \$747,737 from the Bureau of Justice Assistance to the Sheriff's Department to develop, in collaboration with the District Attorney, the Santa Barbara County Human Trafficking Task Force; and,
- \$604,390 from the Office for Victims of Crime to the DA's Victim Witness Assistance Unit, also to work in collaboration with the Sheriff's Office on implementation of the Task Force.

Funding under this program is highly competitive, with only 11 jurisdictions receiving awards nationwide.

In May, the Bureau of Justice Assistance (BJA) released its solicitation for applications under the FY 2016 Edward Byrne Memorial Justice Assistance Grant (JAG) Program, which we provided to the County for action. Under BJA's allocation for JAG, Santa Barbara County is eligible for a total of \$65,682, in conjunction with the City of Santa Maria. JAG funds may be used for a variety of activities to improve or enhance law enforcement programs related to criminal justice.

We contacted the House and Senate Appropriations Committees regarding the County's public safety funding priorities, and urged them to provide the highest level of funding possible for local law enforcement activities, including youth delinquency prevention, local law enforcement technology needs, domestic abuse programs, and drug treatment. While action on the *FY 2017 Commerce, Justice, Science (CJS) Appropriations* bills was completed by both the House and Senate Appropriations

Committees, under the Continuing Resolution approved in the Lamé Duck session as the *FY 2017 Further Continuing and Security Assistance Appropriations Act*, DOJ programs will be funded at FY 2016 levels through April, 2017. These include: \$476 million for the Byrne Memorial Justice Assistance Grant (JAG); \$480 million for Violence Against Women Act programs; \$270.16 million for State and local juvenile justice programs; \$125 million for DNA and forensic-related programs; \$68 million for re-entry programs authorized under the Second Chance Act; \$41 million for drug courts and \$6 million for veterans treatment courts; \$10 million for mentally ill offender programs; and \$2 million for the John R. Justice Grant Program.

Juvenile Justice

We continued to advocate support for adequate Federal resources to assist local government agencies such as the County in addressing juvenile justice and delinquency prevention needs in the community. Last year, the Senate Judiciary Committee approved Chairman Grassley's (R-IA) S. 1169, the *Juvenile Justice and Delinquency Prevention Reauthorization Act* with bipartisan support. The bill would have authorized \$160 million per year for five years for juvenile justice programs, with a 2% increase each year. It would also have updated the standards for how juveniles should be detained for the first time since 2002, and added additional support for youth with mental illnesses. In the House, late in the year Congressman Curbelo (R-FL) introduced H.R. 5963, the *Supporting Youth Opportunity and Preventing Delinquency Act*, to reauthorize and amend the Juvenile Justice and Delinquency Prevention Act. Co-sponsored by Ranking Minority Member Scott (D-VA) of the House Education and the Workforce Committee, the bill included provisions to provide State and local governments such as the County will flexibility to deliver services to meet the specific needs of delinquent youth, promote opportunities for juvenile offenders to acquire employment skills, and help at-risk youth avoid the juvenile justice system by supporting prevention services. H.R. 5963 was approved by a bipartisan vote of 382-29 just before Congress recessed for the elections at the end of September, and sent to the Senate. However, the Senate was unable to complete action on the proposal in the Lamé Duck session, and new legislation will need to be introduced next year.

Inmate Health Care

We joined NACo in meeting with Andy Speth, Senior Advisor to House Speaker Ryan (R-WI), to discuss a variety of issues, including the so-called "inmate exclusion" that prevents individuals from being eligible for Medicaid, Medicare, SSI, and CHIP benefits while they are in the County's jail. NACo was instrumental in the introduction of Congressman Hastings' (D-FL) H.R. 4201, the *Restoring the Partnership for County Health Care Costs Act*. However, H.R. 4201 had difficulty gaining Majority support, and the only Republican effort to address the issue was Congressman Turner's H.R. 4076, the *Treat Act*, a narrowly-focused bill that would have allowed Medicaid payments for certain substance abuse treatments for inmates. Conversely, provisions included in H.R. 4725, the *Common Sense Savings Act*, would have actually eliminated certain existing Medicaid payments for local inmates. H.R. 4725, which also would have eliminated the Prevention and Public Health Fund, imposed new limits on States' ability to finance the non-Federal share of Medicaid, and cut the Children's Health Insurance Program, was approved by the House Energy and Commerce Committee in March, but never brought to the House floor.

On a separate track, NACo also explored potential administrative avenues to address the inmate exclusion with the Centers for Medicare and Medicaid Services (CMS), such as the Medicaid 1115 waiver process. NACo sent a letter to HHS Secretary Burwell, urging her to consider potential components to such a waiver, and we also contacted Secretary Burwell on the issue. In May we provided the County with CMS' updated guidance regarding the eligibility of individuals prior to and after confinement in a correctional institution. Contained in a letter to State Health Officials, the guidance is intended to facilitate successful re-entry for individuals transitioning from incarceration to their communities, but does not include any provisions related to the use of 1115 waivers for inmates.

Mentally Ill Offenders

In anticipation of a mid-January markup, we contacted the House Judiciary Committee regarding Congressman Collins' (R-GA) H.R. 1854, the *Comprehensive Justice and Mental Health Act*, to reauthorize and expand programs to facilitate collaboration amongst the criminal justice, juvenile justice, mental health treatment, and substance abuse systems. The measure included new provisions regarding treatment court program for veterans with mental health and or substance abuse conditions. H.R. 1854 had strong bipartisan support, and was a companion bill to Senator Franken's (D-MN) S. 993, which was approved by the Senate late in 2015. The Senate Judiciary Committee also held hearings on Senator Cornyn's (R-TX) S. 2002, the *Mental Health and Safe Communities Act*, which would have reauthorized the Mentally Ill Offender Treatment and Crime Reduction Act (MIOTCRA), including increasing the use of treatment-based alternatives to incarceration for people with mental illnesses. Conferees included the provisions of the *Mental Health and Safe Communities Act* in the final version of the on the *21st Century Cures Act*. In addition to reauthorizing MIOTCRA, the legislation authorizes a variety of grants to States to facilitate collaboration amongst the criminal justice, juvenile justice, veterans' treatment services, mental health treatment, and substance abuse systems.

Second Chance Act Reauthorization

We reiterated support for legislation to reauthorize the Second Chance Act to members of the House Judiciary Committee, and the committee subsequently marked up and approved Crime Subcommittee Chairman Sensenbrenner's (R-WI) H.R. 3406, the *Second Chance Act Reauthorization Act*. In the Senate, Senator Portman (R-OH) introduced bipartisan legislation to reauthorize the Act as S. 1513. The previous authorization expired on September 30, 2010, but Second Chance Act programs remain popular, including those that provide much needed re-entry resources to local governments. Further action on reauthorization was not completed in the 114th Congress, but the Act's programs were once again funded through the annual appropriations process, with the \$68 million funding level provided in FY 2016 extending into FY 2017 under the *Further Continuing and Security Assistance Appropriations Act*.

Firefighting – Drone Interference

Last year, we advocated support for Congressman Cook's (R-CA) H.R. 3025, the *Wild-fire Airspace Protection Act*, which was introduced in response to several incidents in Southern California during which unregulated drone use forced aerial firefighting operations over uncontrolled wild fires to be suspended. The measure would provide a criminal penalty for launching drones that interfere with fighting wildfires affecting

Federal property, including National Forest lands in the County. While the House Judiciary Committee did not schedule hearings on H.R. 3025, Congresswoman Brownley (D-CA) successfully added an amendment during the House Transportation Committee markup of H.R. 4441, the *Aviation Innovation, Reform, and Reauthorization (AIRR) Act*, to provide for civil fines of up to \$25,000 for operating a drone that interferes with wildlife suppression efforts. Although action on H.R. 4441 stalled, Congresswoman Brownley was able to have her provision included in H.R. 636, the short-term FAA extension signed into law by President Obama on July 15.

Justice For All Act

We contacted the Senate Judiciary Committee to discuss pending action on Senator Cornyn's (R-TX) S. 2577, the *Justice For All Act Reauthorization Act of 2016*, and provided relevant information to the County for analysis. In addition to extending the authorization of a variety of programs implemented in the original Act - including the Crime Victims' Rights Act and the Coverdell Forensics Science Improvement Grant Program - the bill includes provisions intended to eliminate the substantial backlog of DNA and other forensic evidence samples, improve and expand the forensic science testing capacity of State and local crime laboratories; develop new training programs regarding the collection and use of forensic evidence, and improve the performance of counsel in state capital cases. S. 2577 was favorably reported out by the committee and subsequently approved by the full Senate by voice vote in June. It was then forwarded to the House, where Congressman Poe (R-TX) had introduced companion legislation as H.R. 4602. When Congress returned for the Lame Duck session in November, the House amended S. 2577 and returned it to the Senate, which concurred with the amendments and sent the measure to President Obama.

Social Services

Older Americans

In conjunction with advocacy efforts coordinated by the National Association of Area Agencies on Aging (N4A), we contacted the House Education and the Workforce Committee to reiterate the County's support for reauthorization and funding of the Act's programs, emphasizing the wide range of critical services OAA supports for the elderly population in Santa Barbara County. Last year, the Senate unanimously approved S. 192, the *Older Americans Act Reauthorization Act*, and we urged the House committee to either take up the Senate measure or expedite work on their own version of OAA reauthorization. We also asked the local Congressional delegation to encourage their colleagues who serve on the committee to complete action on OAA reauthorization, which has languished since the last Congress. In March, the full House approved a slightly modified version of S. 192 by unanimous consent. The House-passed version reflected a compromise reached between Education and the Workforce Committee Chairman Kline (R-MN) and Ranking Member Scott (D-VA) that maintained the bipartisan nature of the proposal. The changes were subsequently approved by the Senate, and on April 19 President Obama signed the *Older Americans Act Reauthorization Act* into law. The measure authorizes OAA through FY 2019, and increases authorized spending levels by approximately 7% over three years. It also includes new requirements for training on elder abuse prevention, provides technical assistance to senior centers, and requires evidence-based disease prevention and health promotion services.

TANF Reauthorization

Early in the year we contacted the House Ways and Means Committee to discuss the County's policy regarding reauthorization of the Temporary Assistance for Needy Families (TANF) program, particularly in relationship to a package of legislative proposals to amend and reauthorize the introduced by a variety of committee members. The proposals were intended to strengthen TANF and better help its beneficiaries move from welfare to work. Subsequently, the committee marked up and approved several of the measures in May, with Committee Chairman Brady (R-TX) indicating that the markup was the beginning of a larger, ongoing effort related to TANF. However, with the limited number of Congressional work days due to the elections, it was unclear whether further action on TANF reauthorization would occur. During her September trip to Washington, DC, we arranged and participated in meetings for Supervisor Wolf to meet with staff of both the House Ways and Means Committee and the Senate Finance Committee to discuss these and other proposals in relation to the County's policy on TANF. We were told that the purpose of the earlier bills was to "jump start" discussions on reauthorizing and improving TANF, which has not been addressed since the Deficit Reduction Act of 2005. Both committees indicated that one of the primary thrusts in 2017 will be looking at ways to align TANF's work-related provisions with the Work-force Innovation and Opportunity Act.

Adult Services

Throughout the year we contacted the House and Senate committees of jurisdiction to advocate in support of legislative efforts to provide Federal resources for Adult Protective Services (APS). Congressman Cartwright (D-PA) introduced H.R. 5018, the *Elder Protection and Abuse Prevention Act*, which would have amended the Older Americans Act to authorize Federal assistance to State adult protective services programs, including making grants for elder abuse and neglect screening. In the Senate, Senator Blumenthal (D-CT) introduced companion legislation as S. 2747.

In September, we arranged and participated in meetings for Supervisor Wolf with both the Majority and Minority Counsels for the Senate Judiciary Committee to discuss elder abuse. Committee Chairman Grassley (R-IA) had recently introduced S. 3270, the *Elder Abuse Prevention and Prosecution Act*, to address elder abuse and exploitation, and to improve the justice system's response to victims in elder abuse and exploitation cases. The measure had bipartisan support, including Senator Blumenthal, and we subsequently contacted the Senate Judiciary Committee to urge them to expedite its consideration. The committee marked up and approved S. 3270 late in November, but Chairman Grassley's attempt to secure floor consideration in the lame duck was unsuccessful.

Foster Care

We provided County staff with H.R. 4472, the *Modernizing the Interstate Placement of Children in Foster Care Act*, which would have required States to adopt a centralized electronic system to help expedite the placement of children across State lines in foster care, guardianship, or for adoption. The bill was approved by the Ways and Means Committee later that month, and quickly approved by the full House by voice vote. It was referred to the Senate Finance Committee, where Senator Grassley (R-IA) has sponsored companion legislation as S. 2574. Subsequently, we provided the County with H.R. 5456, the *Family First Prevention Services Act*, to amend Title IV

of the Social Security Act to invest in funding prevention and family services. Introduced by House Ways and Means Human Resources Subcommittee Chairman Buchanan (R-FL), the measure was intended to ensure that children in foster care are placed in the least restrictive, most family-like, and appropriate settings. It also included the provisions regarding interstate placements approved in H.R. 4472.

H.R. 5456 was introduced with broad bipartisan and bicameral support, as well as the backing of national advocacy groups such as the Children's Defense Fund, American Public Human Services Association, and Child Welfare League of America. However, concerns quickly arose under closer analysis, and CWDA, CSAC and the California Department of Social Services lobbied against the proposal, specifically citing provisions regarding congregate care that would have conflicted with efforts under way in California. Other states also expressed reservations with H.R. 5456. Nevertheless, it was approved unanimously by the House in June and sent to the Senate, where companion legislation had been introduced by Finance Committee Chairman Hatch (R-UT) as S. 3065, also with bipartisan support. We alerted Senators Boxer and Feinstein to the concerns expressed by the State, CDWA, and CSAC, and their objections, and Senator Boxer subsequently put a hold on the bill, preventing it from being considered on the Senate floor and essentially tabling it for the year. However, during the Lame Duck session, the initial compromise version of H.R. 34, the *21st Century Cures Act* released included the provisions of H.R. 5456. However, the provisions were stripped out of H.R. 34 before it was approved by the House, in part due to the concerns of Senator Boxer and Congressional members from other states with similar concerns, including Alabama, New York and North Carolina.

Social Services Funding

Early in March House Ways and Means Committee Chairman Brady (R-TX) introduced H.R. 4724, the *Reducing Duplicative and Ineffective Federal Funding Act*, and his committee marked up and approved the bill less than two weeks later. The measure would have repealed the Social Services Block Grant (SSBG). The State of California receives approximately \$190 million from SSBG annually, which it combines with TANF monies as a funding stream for a variety of local social services programs and we asked Congresswoman Capps to oppose H.R. 4724 because of its potential impacts on the County's social services funding. Similar attempts to end SSBG in previous Congresses were unsuccessful, and further action on H.R. 4724 was never scheduled.

We contacted the House and Senate Appropriations Committee, the local House delegation, and Senators Boxer and Feinstein to advocate in support of Title XX Social Services Block Grant (SSBG) funding and the Community Services Block Grant (CSBG). We also emphasized the importance of the Low Income Heating and Energy Assistance Program (LIHEAP) formula grants. The House and the Senate both proposed level funding for these programs in their respective versions of the *FY 2017 Labor, HHS, Education, and Related Agencies Appropriations* bill, with House appropriators including report language expressing concern that CSBG funding is not reaching local agencies quick enough. Under the *FY 2017 Further Continuing and Security Assistance Appropriations Act*, each of these programs will be funded at the FY 2016 level through April, 2017, which included \$1.7 billion for Title XX; \$715 million for CSBG; and, \$3.39 billion for LIHEAP formula grants.

Transportation and Public Works

Federal Transportation Funding

The Fixing America's Surface Transportation Act (FAST Act) was approved by Congress and signed into law by President Obama in 2015, reauthorizing Federal highway, transit and highway safety programs for five years, through 2020. This year, we closely monitored implementation of the FAST Act for potential impacts on the County, including programmatic funding and regulatory initiatives. In early March, the Department of Transportation (DOT) announced its Notice of Funding Opportunity (NOFO) for the first round of the National Significant Freight and Highway Projects Grant Program authorized by the FAST Act, and we provided the NOFO to County staff for review. Known as "FASTLANE" grants, \$800 million in competitive funding was available nationwide. We also provided the County with DOT's NOFO for funding under the FY 2016 TIGER Grant competition. The FAST Act also includes several provisions to streamline project delivery, including one to allow California to use the State CEQA process in place of the Federal NEPA process. The Federal Highways Administration and the Council on Environmental Quality must still complete its rulemaking process on this provision in order for the program to be implemented.

Lower Mission Creek

We continued to work with County staff on efforts to obtain further funding opportunities for the Lower Mission Creek Project. We provided Congresswoman Capps, Senator Boxer and Senator Feinstein with updated background information about the project, and discussed it with the Army Corps of Engineers. Because of the continuing moratorium on earmarks in the annual appropriations process, it is extremely important that projects be included in the annual Corps budget request to receive funding, and the FY 2017 Budget Proposal submitted to Congress by the Administration was very lean. It did not include line-item funding for Lower Mission Creek and, as a result, neither the House nor the Senate versions of the *FY 2017 Energy and Water Appropriations* bill included specific funding for County projects.

We monitored ongoing efforts to deauthorize "inactive" Army Corps Projects to ensure that Lower Mission Creek would not be impacted. In March, the Army Corps of Engineers released its "Final Deauthorization List of USACE Projects" as required by the Water Resources and Reform Act of 2014, and there once again was confusion regarding language that seemed to indicate that the Lower Mission Creek project was amongst those that would be deauthorized. Deauthorization would make the project ineligible for Federal funding. We brought this to the attention of Congresswoman Capps, who contacted the Corps on the County's behalf. The Corps clarified that the Mission Creek project authorization included on the list was an inactive version from 1988, and that the current version of the project authorized in 2000 was not impacted.

During the Lame Duck session, Congress completed work on the *Water Resources Development Act of 2016*, which was included in S. 612, the *Water Infrastructure Improvements for the Nation Act*. Section 1301 of the bill establishes a process that will lead to the deauthorization of \$10 billion in previously authorized, yet inactive Corps projects. However, since Lower Mission Creek was re-authorized in WRDA 2007, this provision will not apply to the project.

Lake Cachuma

In January, we contacted the Bureau of Reclamation and House and Senate Appropriations Committees to discuss a variety of issues related to Lake Cachuma, including upgrades to the Federal facilities that serve the recreational users. We also assisted the County throughout the year in advocating these issues with the local Delegation. Resources to address additional facility upgrades continue to be scarce in the environment created by Federal deficit reduction efforts and the earmark moratorium.

Other Issues

Regulatory Relief

The Congressional Review Act of 1996 (CRA) allows Congress to overturn regulations issued by Federal agencies via a “resolution of disapproval,” and the 115th Congress is expected to aggressively attack many of the over 4000 new rules issued by the Obama Administration in the early days of 2017. In addition, the chairman of the House Freedom Caucus recently met with President-elect Trump to deliver a list of 232 regulations they believe the new President could repeal immediately. These regulations range from limitations on oil exploration on Federal lands, to certain guidelines for school lunches.

One of the regulations that the 115th Congress is likely to address under the CRA is the Department of Labor’s (DOL) new overtime rule that nearly doubles the threshold for the exemption from overtime pay for professional employees – including public sector employees such as the County’s - potentially impacting salary expenditures. The DOL rule was scheduled to go into effect on December 1, but implementation has been delayed indefinitely by a nationwide temporary injunction issued in response to a number of lawsuits.