

Washington Update

COUNTY OF SANTA BARBARA

JANUARY 30, 2018

FY 2018 FEDERAL FUNDING

Four months into the fiscal year, none of the 12 individual appropriations bills have been completed for FY 2018, and the Federal government has been operating under a series of short-term Continuing Resolutions. Disputes over proposed funding levels and immigration policy resulted in a deadlock that shut the Federal government down January 20-22, which was only resolved by enacting a fourth CR that runs through February 8.

Significant obstacles remain to reaching a budget agreement before the expiration of the current short-term funding. Republican negotiators are floating a proposal to increase spending levels above the current funding caps by \$250 billion for FY 2018 and FY 2019, with \$152 billion going to defense and \$95 billion to non-defense programs. However, Democrats continue to insist on parity between defense and non-defense accounts, and are also seeking a deal on the Deferred Action for Arrivals (DACA) Program as a condition for an agreement.

DISASTER FUNDING

Just prior to adjourning at the end of 2017, the House passed H.R. 4667 to provide \$81 billion in emergency supplemental appropriations for disaster assistance for Hurricanes Harvey, Irma, and Maria and the 2017 wildfires. We are continuing to work with Senators Feinstein and Harris to address the County's recovery needs in the Senate version of the bill and ensure maximum eligibility for the County for the supplemental funding, particularly in light of the January 9 mudslides. The Senate has not yet scheduled the bill for consideration, and the supplemental appropriations measure will likely be held up until the underlying FY 2018 funding issues can be negotiated.

IMMIGRATION REFORM - DACA

We contacted the House and Senate leadership, the committees of jurisdiction, and the local Congressional delegation to reiterate your

Board's support for the Deferred Action for Arrivals (DACA) Program. The need for a DACA fix was a central issue in the recent budget stalemate. As part of a deal to enact the Continuing Resolution, Senate Majority Leader McConnell (R-KY) stated that he intended to allow related legislation to be debated by the full Senate.

Bipartisan negotiations continue in Congress to develop compromise legislation that would protect Dreamers and strengthen border security. However, House Judiciary Committee Chairman Goodlatte (R-VA) recently introduced H.R. 4760, the *Securing America's Future Act*, which would tie DACA to a package of enhanced immigration enforcement proposals which Democrats are resisting. Also, President Trump's announcement of a proposed framework for immigration reform that includes tighter restrictions on legal immigration and \$25 billion for a border wall has further complicated the negotiations.

OUTER CONTINENTAL SHELF

Following Interior Secretary Zinke's announcement of the Administration's proposal to open nearly the entire Outer Continental Shelf (OCS) for potential oil and gas exploration, including the entire coast of California, we contacted the House and Senate committees of jurisdiction and the local Congressional delegation to reiterate your Board's April 11, 2017, action opposing any new oil and gas lease sales on the Pacific OCS. In the House, we urged the Natural Resources Committee to act on Congressman Carbajal's H.R. 731, the *California Clean Coast Act*, which would permanently prohibit oil and gas leasing off the coast of the State of California. In the Senate, we lobbied the Energy and Natural Resources Committee in support of Senator Feinstein's S. 31, the *West Coast Ocean Protection Act*. Neither committee has scheduled hearings on the issue so far in 2018.

FEDERAL HEALTH CARE PROGRAMS

We have continued to coordinate with NACo and other stakeholders on several lingering health care issues of importance to the County. Last November, the House passed H.R. 3922, the *CHAMPIONING HEALTHY KIDS Act*, which would have reauthorized the Children’s Health Insurance Program (CHIP) for five years and extended the authorization of funding for Federally Qualified Health Centers (FQHCs) for two years at \$3.6 billion a year. However, Democrats opposed the bill because of the offsets used to fund its provisions. On January 22, President Trump signed into law a Continuing Resolution to provide short-term funding for the government through February 8, which also included a six-year extension for CHIP. However, the CR left other health care extenders unresolved, including the funding for FQHCs.

340B DRUG PRICING PROGRAM

We contacted the House Committee on Energy and Commerce to reiterate support for Congressman McKinley’s (R-WV) H.R. 4392, or similar legislation to place a permanent moratorium on a new Centers for Medicare & Medicaid Services (CMS) policy that cuts Medicare Part B payments by 27% for drugs purchased through the 340B Drug Pricing Program. The policy was included in the 2018 Outpatient Prospective Payment System Rule. Last fall, Congressman Carbajal agreed to sign onto a Congressional letter to CMS opposing the rule, and we have asked him to consider co-sponsoring H.R. 4392. While so far there is no companion bill in the Senate, both Senator Feinstein and Senator Harris signed onto a Senate letter to CMS opposing the 340B cuts.