



## County Welfare Directors Association of California

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**To:** County Welfare Directors Association of California

**From:** Tom Joseph, Director, CWDA Washington, D.C. Office

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**Re:** Federal Update

Congress returned last week from a two-week spring recess. They are currently working on legislation designed to aid the country's ailing housing finance system (S 2636) and will be conducting a number of hearings this week to review the status of the war Iraq which has just entered its sixth year.

### **FFY 2009 Budget Resolution**

House and Senate budget leaders have begun negotiations on the federal fiscal year (FFY) 2009 budget resolution, a nonbinding document that sets overall tax and spending parameters for the upcoming year. Democrats are trying to craft a resolution that would pass both houses in order to counter Republican claims that the majority party in Congress is unable to pass a budget in a timely manner. Both versions reject administration-proposed cuts in a wide array of health and human services programs.

It is unclear whether the Democratic leadership will be able to arrive at a compromise that will be acceptable to the budget hawks in their party. All Republicans are expected to vote against a compromise resolution, no matter what it contains. If a compromise cannot be achieved, the appropriations and authorization processes will still move ahead, but it is much more difficult procedurally to adopt legislation in a timely manner.

### **Pending Legislation**

**Medicaid:** House and Senate members have introduced bills placing moratoria on seven pending Medicaid regulations. Issued by the Centers for Medicare and Medicaid Services (CMS) over the past year, the combined effect of the regulations would shift at least \$20 billion in costs to state and county governments over the next five years. CWDA joined the California State Association of Counties in writing a letter (attached) to the entire California delegation requesting that they cosponsor the bipartisan Medicaid Safety Net Act of 2008 (H.R. 5613). The measure would delay implementation of the regulations until April 1, 2009, giving a new administration time to consider other alternatives. Because the proposed regulations have been issued, Congress must find \$1.65 billion in revenues or offsets to pay for the one year measure.

Despite unanimous support from all members of the National Governors' Association and other bipartisan groups, only five of the current 57 co-sponsors are Republicans. Similar to last year's debate on the State Children's Health Insurance Program, the administration is pressuring Republicans to oppose the bill. Among California Republicans, only Representative Mary Bono Mack (R-Riverside) voted to expand SCHIP and she is the only Republican from California that the Democrats have identified as offering the best possibility for cosponsoring H.R. 5613.

The House Energy and Commerce Committee held a hearing on the legislation last week and is slated to mark up the bill on Wednesday.

On the Senate side, Senator Rockefeller (D-WV) introduced late last week a Medicaid moratoria bill (S.2819) which goes farther than the House bill by also establishing a moratoria on CMS's August 17, 2007 SCHIP (Healthy Families) directive that effectively stops any state from expanding its program. The bill also would provide \$6 billion in relief to states in the form of a temporary increase in the federal Medicaid match and a \$6 billion targeted revenue sharing fund. It is unlikely that the Senate will move on its measure until the House completes action on its version.

Earlier moratoria placed on two regulations expire at the end of May, including one directly affecting county public hospitals, so there is urgency in attempting to adopt a measure before the congressional Memorial Day recess.

**Food Stamp Reauthorization:** Less than two weeks remain before the April 18 expiration of the latest short-term extension of the farm bill. House and Senate negotiators remain at odds over financing the massive reauthorization package. Discussions have been underway for nearly four months on how to overcome budget restraints, pay-as-you-go rules, and finding acceptable funding offsets for any spending above the baseline. There are some modest increases in food stamp benefits if new funding is found to pay for them.

The president has threatened to veto another short-term extension unless significant progress toward a new long-term deal has been made. Another option available to negotiators is a one or two-year extension of current law, an alternative allowing lawmakers to come back next year and reevaluate the numerous issues in the bill.

**Kinship Caregiver Support Act:** CWDA has assisted in identifying participants for an April 10 Washington, DC fly-in supporting the Kinship Caregiver Support Act (H.R. 2188/S. 661). Sponsored by the Pew Trusts' Kids Are Waiting Campaign, over 100 caregivers and advocates from 45 states will visit House and Senate offices urging that their members co-sponsor the bill. The legislation would provide federal support to relatives who become legal guardians of children who have been in foster care; create kinship navigator systems allowing families to identify resources and require states to identify and contact relatives before a child is placed into foster care. To date, 16 visits have been confirmed with California House offices. I will accompany the California stakeholders on their visits.

**KinGAP-HUD Update:** Last month, Representative Maxine Waters (D-Los Angeles County) introduced a bill (H.R. 5645) to repeal the U.S. Department of Housing and Urban Development's (HUD) administrative decision to count KinGAP income toward a tenant's rental payment. A group of child welfare and housing advocates have been formed in Washington and visits are underway with congressional committees with jurisdiction over HUD issues.

Representative Waters chairs the House subcommittee with jurisdiction over the issue, but the best legislative vehicle in the House was passed by that body last summer. Senate Banking Committee chairman Chris Dodd (D-CT), has introduced a House counterpart, the Section 8 Voucher Reform Act (S. 2684), which may be marked up later this spring. His Committee has jurisdiction over housing issues. The group will soon meet with his staff. Senator Feinstein's and Boxer's staff are aware of the issue and a meeting has been set with them for April 8 to discuss it further.