



## 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 again is grappling with funding for the Iraq war, with the House expected to consider a spending package of over \$180 billion later this week. Those funds would support the efforts through the end of this federal fiscal year and appropriate additional funding lasting until early next year, enabling the Democrats to avoid another debate on war spending during the fall election season.

While the details of the package will not be known until Wednesday, May 7, Democrats are expected to add some additional funds for domestic priorities. The programs to receive funding, however, are expected to be very limited and are opposed by the administration. An extension of unemployment benefits and the inclusion of the Medicaid moratoria bill (see below) may be the only domestic initiatives in the war supplemental.

The supplemental may be one of the few spending measures to be adopted this year. Already there are rumors that the House and Senate may forgo the normal appropriations process and adopt a temporary continuing resolution this fall to extend funding for all federal programs into 2009 when a new administration is in place. Depending on the economy this summer, Congress may craft a second stimulus package containing other domestic spending priorities. That package is also expected to draw a veto threat.

### **Pending Legislation**

**Medicaid:** Positive action occurred last month on the Medicaid moratoria bill (HR 5613) that would stop temporarily the implementation of seven regulations that would shift costs to state and county governments and reduce services to beneficiaries. CWDA joined CSAC in sending letters of support to the entire California congressional delegation. Called the *Protecting the Medicaid Safety Net Act of 2008*, the measure moved relatively quickly through the Energy and Commerce Committee once Republicans were convinced that the U.S. Department of Health and Human Services (HHS) had overstepped its authority in issuing the regulations. Both sides worked on a bipartisan basis to identify the budgetary savings necessary to offset the \$1.7 billion cost to delay the regulations until April 1, 2009, giving a new administration some time to determine next steps.

The full Energy and Commerce Committee adopted the bill 46-0, including California committee members Waxman, Eshoo, Capps, Harman, Solis, Radanovich and Bono-Mack.

The co-sponsor list grew to 230 House members, including 39 from the GOP. Soon thereafter the bill moved to the floor where the measure passed by a veto-proof vote of 349-62. Only a handful of California Republicans sided with the administration and voted against the bill (Representatives Doolittle, Herger, Issa and McKeon). This relatively unified vote among the delegation stood in marked contrast to last year's debate to reauthorize and increase the State Children's Health Insurance Program when Representative Bono-Mack was the only one of California's 19 Republicans to cross party lines.

The measure has moved to the Senate, but some Republicans have threatened to filibuster the bill and the administration still promises to veto it. In response, House and Senate Democratic leadership will likely attach the moratoria measure to the war supplemental. A similar legislative strategy was employed last year when Congress attached to a May 2007 war spending package stop-gap funding for the State Children's Health Insurance Program (SCHIP) and moratoria on two Medicaid regulations. Both California Senators Feinstein and Boxer are co-sponsors of a similar Senate Medicaid bill (S. 2819).

**Food Stamp Reauthorization:** After months of negotiations, House and Senate conferees are inching closer to resolving their differences on the farm bill (H.R. 2419). While the details are not yet available, some food stamp benefit improvements are included in the final package, including increasing the standard deduction to \$144 and indexing it for inflation, as well as indexing asset limits for inflation. Other deductions would be increased, including eliminating the cap on the dependent care deduction and excluding retirement and educational accounts from resources when determining food stamp eligibility.

The conferees reportedly have included language making states liable for over-issuances due to major computer systems failures. Both bills contained similar language but the actual provision is not yet available. It has also been reported in the press that the prohibition on privatizing the program was one of the few issues remaining unresolved.

**KinGAP-HUD Update:** As many of you know, last month the U.S. Department of Housing and Urban Development (HUD) reverted to its previous policy and will not count KinGAP income toward a tenant's rental payment. Representative Maxine Waters' (D-Los Angeles County) staff have indicated that she will likely continue to pursue her bill (H.R. 5645) to ensure that future administrations do not re-establish a policy to include such income in rental determinations.

**Adam Walsh Criminal Background Checks:** As the October 1, 2008 implementation date eliminating California's background check process draws near, CWDA moved to convene a conference call with representatives from the New York Governor's office and a lobbyist from New York City in an attempt to gain legislative traction on the issue. CWDA shared the results of the survey it conducted on the impact of the Adam Walsh provision. New York may tailor it and disseminate it to its counties. New York is the only other state similarly affected by this provision and two key members its delegation serve on key committees of jurisdiction: Senator Schumer who serves on the Senate Finance Committee and Representative Rangel who chairs the House Ways and Means Committee.

**Elder Justice Act:** There is some legislative movement on the Elder Justice Act (H.R. 1783). Later today, the House Judiciary Subcommittee on Crime is slated to mark up the bill. While the measure has 112 cosponsors, only nine are Republicans. Among the provisions, the bill authorizes \$100 million annually in adult protective services grants to state and local governments. This provision would mark the first major federal APS grant

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initiative. The funding, however, would be allocated among all 50 states and would be subject to the appropriations process.

Further legislative action on the bill is uncertain.