

The Human Needs Report

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Gun Control Debates Take Over Appropriations Process

The issue of gun control took over the appropriations process in both chambers of Congress last week following the horrific mass shooting in Orlando. House Democrats staged a 24+ hour sit-in to urge House leaders to vote to end the loopholes that prevent background checks for gun sales at gun shows or

online and to allow gun sales to be denied to those on terror watch lists. They called for "No Bill, No Break" to signify that the House shouldn't go home for its July 4 recess without first acting to end gun violence. The sit-in lasted through the night, even as House Republicans forced through near-party-line votes on other measures, including a response to the Zika virus (see related article in this *Human Needs Report* for more on that). Around 3:30am on Thursday, June 23, House Speaker Paul Ryan (R-WI) formally adjourned the chamber until July 5 without a vote on gun control. The sit-in lasted until Thursday afternoon. The House had been working on the FY17 Financial Services appropriations bill last week, but work on that ground to a halt with the sit-in. The Obama Administration has already issued a veto threat on the Financial Services bill in part because it cuts funding for the IRS (by \$236 million) and the Securities and Exchange Commission (by \$50 million) and guts the Consumer Financial Protection Bureau by making its funding part of the appropriations process, eliminating the bureau's director, and prohibiting implementation of rules to protect against payday lending and other predatory practices.

In the Senate, the issue of gun control came to a head on Monday, June 20 as Senators rejected four amendments (two from Democrats and two from Republicans) to the FY17 Commerce-Justice-Science (CJS) appropriations bill. This followed a 15-hour filibuster by Senate Democrats the proceeding week. The amendments, which addressed background checks and terrorist watch lists, were rejected mostly along party lines. Later in the week, the Senate also blocked another Republican amendment related to gun sales. One amendment from Sen. Susan Collins (R-ME) that would prevent people on the so-called 'no-fly' list (which is considerably smaller in number that the broader terrorist watch list) survived a procedural vote to kill it. It is unclear if that amendment will receive an actual vote to be added to legislation. Senate GOP leaders said they plan to abandon the CJS bill at least until September.

Advocates objected to several other amendments to the Senate bill that have not yet been voted on, including one from Senator Mike Lee (R-UT) that would prevent the Census Bureau from continuing to assess U.S. poverty through its Supplemental Poverty Measure. The Supplemental Poverty Measure takes into account the value of benefits such as SNAP (food stamps) or low-income tax credits in calculating a family's income, as well as counting major expenses like housing, child care, or out-ofpocket medical costs. Advocates also opposed an amendment from Senator John McCain (R-AZ) that would cut \$850 million from the Affordable Care Act's Prevention and Public Health Fund in order to increase funding for local police actions to detain undocumented immigrants. An amendment from Senator David Vitter (R-LA) would require the Census Bureau to add questions on citizenship and legal status to the 2020 Census for the purpose of excluding undocumented residents and/or non-citizens from the Census-derived state population totals used for congressional appointment. Another amendment, introduced by Senator Pat Toomey (R-PA) meant to toughen enforcement of immigration restrictions, would deny federal economic development assistance to any state or locality that restricts the exchange of immigration information with other government officials (such as "sanctuary cities"). Among the many filed amendments, there were also proposals by Senator Jeanne Shaheen (D-NH) to add funding to address the heroin and opioid drug abuse epidemic, and a Reid (D-NV) amendment to prohibit Department of Justice funding from being used to carry out hearings for children seeking asylum unless the children were represented by legal counsel. With almost all of the floor time dedicated to gun amendments so far, it is not clear which other amendments will be taken up on the Senate floor.

Twelve spending bills are required to keep the government operating; to date, the House has passed 10 through its appropriations subcommittees and full appropriations committee, but only three through the full House (another was taken up by the full House but was rejected). The Senate has passed 11 spending bills through its appropriations subcommittees and full committee, and three on the Senate floor. None have been enacted into law.

With the limited number of days left on the Congressional calendar this year, a temporary stop-gap measure to keep the government funded after September 30 is almost surely in the forecast. For more information on all things budget, see our <u>FY17 budget resource page</u> and our <u>June 13 Human Needs</u> Report.

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A Divided Supreme Court Fails to Protect Millions of Immigrants

In a blow to millions of immigrants, a deadlocked (4-4) Supreme Court on June 23 let stand a lower court ruling blocking President Obama's November 2014 executive actions expanding the Deferred Action for Childhood Arrivals (expanded DACA) guidelines and creating the Deferred Action for Parents of Americans and Lawful Permanent Residents (DAPA) program. Advocates were extremely disappointed that these executive actions, which would have allowed millions of immigrants to apply for deferral of deportation and work authorization, come out of the shadows, work legally, get better jobs, pay more in taxes and stop living in fear, will not be implemented, at least for the foreseeable future.

Texas and 25 other states sued the federal government in December 2014 to block President Obama's executive actions. In February 2015, a federal district court judge in Texas ruled in Texas's favor and blocked both DAPA and the expansion of DACA. In a decision issued in November 2015, a divided panel of the Fifth Circuit Court of Appeals upheld the district court's order.

Advocates like those at the <u>National Immigration Law Center</u> are urging the Department of Justice to seek a rehearing for when a ninth justice is confirmed to the Supreme Court, and they're vowing to continue to explore additional options to prevent more families from being torn apart. Despite the bad news from the Supreme Court, advocates have also been working hard to remind immigrants that the case does not impact the "Dreamer" children who were granted relief from deportation under the 2012 DACA program. For more information, visit the <u>National Immigration Law Center</u>.

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House Republicans Pass 'Compromise' Zika Package that Angers Democrats

Although House and Senate members from both sides of the aisle previously met in formal negotiations, known as conferencing, over funding to respond to the Zika virus, the House last week passed a Zika package that was a compromise between House and Senate Republicans but that angered Democrats in both chambers. The Zika package passed (239-171, mostly along party lines) along with the FY17 Military

Construction-Veterans Affairs conference spending bill amidst the House Democratic sit-in in the early morning hours of Thursday, June 23, only hours after it was released. No debate was allowed on the bill, which matches the \$1.1 billion funding level for Zika passed by the Senate in May (the original House Zika package was only for \$622 million). However, the Senate package was passed as an emergency supplemental measure, meaning it did not require offsetting cuts. The 'compromise' package passed by the House contains \$750 million in offsets, including money slated for fighting the Ebola virus, Affordable Care Act health exchanges and administrative funding for the Department of Health and Human Services.

Democrats in both chambers slammed the bill for these offsets, as well as for language in the bill that they see as attacks on clean water laws and women's health care services. The package may receive a procedural vote in the Senate as early as Monday, June 27, though it appears to lack the 60 votes needed to advance. *CQ* is also reporting that a White House aide has said President Obama would veto the measure if it is enacted.

After <u>requesting \$1.9 billion</u> in emergency funding in February, the White House previously announced that \$589 million would be redirected from Ebola funding to fight the Zika virus until additional money was appropriated. The Administration is still calling for \$1.9 billion to be appropriated to respond to Zika.

Members of Congress from both sides of the aisle have said they'd like to get a package to President Obama by the end of June, as both chambers are currently scheduled to leave town July 15 for seven weeks. As CHN <u>previously noted</u>, major cuts to public health funding have left health departments unable to deal with a serious outbreak of the Zika virus.

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Families First Prevention Services Act Introduced

On Tuesday, June 21, the House passed by voice vote the Family First Prevention Services Act (H.R. 5456), introduced in the House by Rep. Vern Buchanan (R-FL) and others. It had previously been approved by the House Committee on Ways and Means on June 15. Many advocacy groups were supportive of this bipartisan bill, which would allow states to use federal child welfare dollars to pay for family services to prevent children from needing to enter foster care. These services could include mental health services, substance abuse services (including opioid and heroin abuse services), or inhome parenting skills programs (including individual and family therapy). It also supports kin caregivers when parents are not able to take care of their children, and extends and updates other provisions to help abused and neglected children that were set to expire this year. In addition, the bill allows states the option of extending assistance to older former foster youth for things like housing, employment and counseling services, and education and training vouchers. It also creates competitive grants to increase foster parent recruitment.

The controversy surrounding the bill comes from its funding. Advocates and some Democrats on the House Ways and Means Committee objected to the fact that the bill is paid for by taking money from states that place foster children in non-family settings, such as group homes or congregate care

facilities. This is seen by many as Congress's continued insistence on reallocating money within the child welfare pot (and in the human needs universe as a whole) rather than using outside offsets or additional revenue to grow the overall pot, which is severely underfunded as is. Advocates were also displeased that there would be a three-year delay in implementation of the new funding in the bill.

The Senate version of the bill (S. 3065) was introduced by Senate Finance Committee Chairman Orrin Hatch (R-UT) and Ranking Member Ron Wyden (D-OR), as well as Senators Michael Bennett (D-CO) and Chuck Grassley (R-IA) on June 16. For more information, see this piece from the Child Welfare League of America, this in-depth piece from the Children's Defense Fund, and the bill summary from the House Ways and Means Committee.

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House Passes 1-Year Extension of Temporary Assistance for Needy Families

Temporary Assistance for Needy Families (TANF), the cash assistance and other services program for poor families with children, was reauthorized by the House for another year with little change. The TANF extension was attached to the Social Impact Partnerships to Pay for Results Act (H.R. 5170), a bill to create poverty-related demonstration projects through a funding mechanism called social impact bonds. With the House passage, the bill moves to the Senate, where Senators Hatch (R-UT) and Bennet (D-CO) have co-sponsored companion social impact bond legislation.

The bill would take up to \$100 million from the \$608 million TANF Contingency Fund to pay part of the cost of the demonstration projects. In this model, states or localities, possibly partnering with a private foundation or other "investor," would apply to carry out a demonstration project with the goal of reducing poverty and related problems. The project would have to promise to save federal dollars because of its successes in reducing the use of federal benefits. The federal government would only pay a share of the cost if the project achieved its goal and produced net savings. If the program's goals were met, a private sector entity that made the initial investment would see a return on its funding.

Before going to the floor, an amendment by Representative McDermott (D-WA) was accepted which requires that half the funding made available through the social impact bonds be spent on children's services/programs.

Views differ as to the effectiveness of social impact bonds. The House appears to hope the bill will see action in the Senate with TANF's extension attached.

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House GOP Releases the Rest of its Agenda, including its Health Care Alternative

Following the June 7 release of talking points on fighting poverty, House Speaker Paul Ryan (R-WI) and the House Republican Task Forces he assembled continued to unveil additional pieces of the GOP agenda this month, including <u>policy pieces</u> on national security, the economy, the Constitution, health care, and tax reform.

Similar to the poverty plan, many of the other pieces lack a number of specifics while containing policies that would harm low-income people – policies have been proposed by right-wing members of Congress for years. The paper on the <u>economy</u>, for example, consists mainly of anti-regulatory proposals; it rails against the updated overtime regulations recently released by the Department of Labor and calls for gutting the Consumer Financial Protection Bureau by making its funding part of the appropriations process, eliminating the bureau's director, and prohibiting the CFPB from implementing some of its proposed rules, such as those restricting payday and auto title loans so that they do not target borrowers who cannot possibly pay interest rates that commonly exceed 300 percent. The paper on the <u>Constitution</u> talks about limiting agencies' authority, reforming rulemaking and conducting oversight of the executive branch. The paper on <u>national security</u> calls for prioritizing investments in our nuclear deterrent while also calling for cracking down on undocumented immigrants, referred to in the paper as aliens (House Republicans also recently passed legislation requiring the Library of Congress to use the term 'alien' to refer to undocumented immigrants).

On June 22, the House GOP released its paper on <u>health care</u>. Advocates were not surprised that it calls for the repeal of the Affordable Care Act, including repealing the mandate for individuals to secure coverage and employers to provide it. The plan also cuts subsidies that low-income Americans can currently use to buy coverage (though doesn't specify by how much), allows insurers to place arbitrary caps on how much they will pay out when people need significant care, eliminates national coverage standards for health plans, and promotes high-deductible plans that could leave Americans in a big hole in the case of major injury or illness.

House Speaker Ryan's plan would also make big changes to Medicaid and Medicare. According to the Center on Budget and Policy Priorities, the plan would not only bar additional states from taking the Medicaid expansion option in the ACA, it would sharply cut federal funding for states that have already expanded Medicaid to low-income Americans, likely driving many states to drop this option in the future. The plan would force states to accept Medicaid funds as either a block grant or a program with rigid caps on federal funding provided per beneficiary (known as "per capita caps"). Either way, significant costs would be shifted to the states, forcing them to either significantly raise the amount they spend on Medicaid or, more likely, cut benefits, eligibility, and provider payments. The plan also calls for raising the eligibility age for Medicare from 65 to 67 over time and replacing Medicare's guarantee of coverage with a voucher that beneficiaries could use to buy private health insurance or traditional Medicare. Advocates fear that the amount of the voucher won't keep pace with health care costs over time, effectively shifting additional costs to seniors.

The <u>Washington Post</u> said the GOP alternative health care plan "comes with uncertain costs and unknown impact of the number of insured Americans." Referring to the "A Better Way" title given to all of the plans released this month, <u>Families USA</u> said, "Jeopardizing the health coverage of over 20 million people who recently secured it is not a better way. Cutting state Medicaid funding that places 72 million of our most vulnerable men, women and children at risk of losing coverage is not a better way."

According to <u>Americans for Tax Fairness</u>, Ryan's tax plan released on June 24 would slash income tax rates for corporations and the wealthy without additional revenue to offset these cuts. It would also repeal the estate tax. According to a <u>statement</u> from House Ways and Means Committee Ranking

Member Sander Levin (D-MI), the plan would directly hurt low-income families by eliminating the refundable portion of the Child Tax Credit for taxpayers without a Social Security number. It also leaves out an expansion of the Earned Income Tax Credit for childless workers and non-custodial parents, a bipartisan proposal Ryan has supported in the past. The plan purports to be revenue neutral by using a tactic known as "dynamic scoring," a highly uncertain and controversial way of estimating the impact of the proposed tax cuts by assuming they would cause enough economic growth to result in some revenue increases.

For information on the Ryan/House GOP poverty plan that was released on June 7, see the <u>June 13</u> <u>Human Needs Report</u>, CHN's <u>statement</u> and <u>blog post</u> about the plan, and compiled statements and analyses of the plan from affiliates on a <u>new resource page</u>.

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