



THE CALIFORNIA INSTITUTE FOR FEDERAL POLICY RESEARCH

4114 Davis Place, NW, Suite 114, Washington, D.C. 20007
202-321-6229 e-mail: mbsdc1@gmail.com web: <http://www.calinst.org>

California Capitol Hill Bulletin

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To expand communications between Washington and California, the California Institute provides periodic news bulletins regarding current activity on Capitol Hill and other information that directly impacts the state. Bulletins are published weekly during sessions of Congress, and occasionally during other periods.

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APPROPRIATIONS: CONGRESS AND PRESIDENT RUNNING UP AGAINST NEXT CR DEADLINE; BORDER WALL FUNDING REMAINS MAJOR OBSTACLE

Funding for fiscal year 2019 was extended with a two-week continuing resolution that will expire on December 21st, 2018. Five out of twelve appropriations bills have already been signed, but the remaining seven must be passed before funding expires." In addition to continued funding, the current CR extends discretionary funding, the National Flood Insurance Program, and the Violence Against Women Act to December 21," which would have otherwise expired on December 7th.

The major obstacle to passing a long-term Continuing Resolution is funding for a border wall. The President has insisted on \$5 billion in funding, whereas the House and Senate Leadership is sticking to only offering \$1.5 billion.

For more information regarding Fiscal 2019, please visit:
<http://www.crfb.org/blogs/upcoming-congressional-fiscal-policy-deadlines>
<https://www.govexec.com/management/2018/12/congress-likely-pass-stopgap-measure-week-avoid-partial-shutdown/153226/>

SENATE PASSES AGRICULTURAL IMPROVEMENT ACT OF 2018

On Tuesday, December 11th, 2018, the Senate passed H.R. 2 - the Agricultural Improvement Act of 2018, with an 87-14. H.R. 2, commonly referred to as the "Farm Bill", allocates \$867 billion for agriculture, nutrition, conservation, and forestry programs. According to supporters, the bipartisan farm bill aims to balance the "demands of urban legislators hoping to maintain or increase funding for nutrition programs and rural lawmakers seeking to protect farmers." The farm bill passed in the House on Wednesday, December 12th, 2018, by a vote of 369 - 47. It will now be sent to President Trump who supports the legislation and is expected to sign it. This article provides some highlights of the bill.

Supplemental Nutrition Assistance Program (SNAP) - The most controversial piece of the legislation was regarding food stamps, or SNAP, where House Republicans were advocating for

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MaryBeth Sullivan
Executive Director

tighter restrictions and cuts to the program. These cuts were not included in the bill and any changes to the SNAP program will not restrict families' benefits. One change that was made to the program establishes an "interstate data system to prevent the simultaneous issuance of Supplemental Nutrition Assistance Program...benefits to an individual by more than one state."

Farm Subsidies - Subsidies "were expanded to allow nieces, nephews and cousins of farmers to receive up to \$125,000 each if they are involved in the farm," whereas previous versions of the bill only allowed immediate family to receive subsidies.

Industrial Hemp - The farm bill legalizes industrial hemp as a crop, which is "expected to open up the usage of hemp for construction products and plastic composites, and should help vendors of cannabidiol, a cannabis compound that does not cause a high." Part of this measure was introduced to help farmers who were struggling from the loss of tobacco farming.

Organic Research - H.R. 2 allocates \$50 million for organic research, which is more than double the previous bill's amount, which will allow for more opportunities for technological advances in organic farming.

Conservation - The 2018 farm bill "reduce[s] the adjusted gross income limitation for receiving benefits under commodity and conservation programs," and modifies "funding levels and requirements for several conservation programs."

Loans - The bill increases loan limits for "farm ownership and operating loans," and also modifies the "experience requirement for farm ownership loans."

For more information regarding the Farm Bill, please visit:
<https://www.nytimes.com/2018/12/11/us/politics/farm-bill-compromise-senate.html>

https://www.washingtonpost.com/business/2018/12/11/congress-bill-farm-bill-is-out-heres-what-s-it/?utm_term=.bbb47597819e

<https://www.forbes.com/sites/bethkaiserman/2018/12/12/farm-bill-moves-to-house/#68e88f81badf>

For more information regarding H.R. 2, please visit:

<https://www.congress.gov/bill/115th-congress/house-bill/2>

For the full text of H.R. 2, please visit:

<https://www.agriculture.senate.gov/imo/media/doc/Agriculture%20Improvement%20Act%20of%202018.pdf>

RESOURCES: CALIFORNIA WATER BILL GAINS TRACTION

On December 16th, 2016, Congress enacted the Water Infrastructure for Improvements for the Nation (WIIN) Act that "incorporated provisions from multiple California drought-related bills" to assist California's water needs. The WIIN Act allowed for agency officials to pump at the highest levels allowable under existing biological opinions, for longer periods, and also authorized higher levels of pumping than currently allowed during certain temporary storm events, according to various sources. One provision that has led to controversy, however, is that the WIIN Act allowed for greater pumping of Northern California water to farms and cities in the San Joaquin Valley and Southern California.

Despite some opposition, Senator Dianne Feinstein and Representative Kevin McCarthy (Bakersfield) are pushing to extend the WIIN Act provisions that expire in 2021. They hope to include these provisions in the year-end spending bill that Congress must pass this December, and they recently won support from Governor Jerry Brown. Part of this legislation would make hundreds of millions of federal dollars available for California water storage projects as well as desalination and water recycling programs. In fact, more than \$670 million of federal funding would be made available for water storage projects in California. Feinstein and McCarthy's proposal would extend the California sections of the law until 2028. However, some environmentalists have questioned the necessity of these flexible and generous water provisions, since California's drought conditions have greatly improved since the original 2016 bill was enacted.

Thus far, the WIIN Act "hasn't translated into lots of additional water for south state water agencies...mainly because state officials have been reluctant to cooperate with federal efforts to increase pumping through the Delta." Governor Brown's administration has "been urging the farms and cities to make voluntary deals under which they would pay for habitat restoration and other [water] projects... In return, they wouldn't surrender as much water as the state water board is proposing." Feinstein and McCarthy's water proposal is only "one of dozens of potentially controversial measures lawmakers are trying to add to the [federal spending] bill," but Brown's endorsement is likely to give the WIIN Act extension an advantageous edge.

For more information regarding the WIIN Act, please visit:

https://www.waterboards.ca.gov/waterrights/water_issues/programs/bay_delta/california_waterfix/exhibits/docs/FOTR/for11.pdf

For more information regarding the WIIN ACT extension, please visit:

<https://www.sacbee.com/latest-news/article222443740.html>