L.A. BID FOR 2016 OLYMPICS GATHERS STEAM

On Friday January 19th, 2007, California Governor Arnold Schwarzenegger held a news conference in Los Angeles to officially support the city’s bid to host the Summer Olympic Games of 2016. He spoke of his determination to doing “anything necessary” to help bring the Olympics back to California. Schwarzenegger also pointed out that the Olympics have turned a profit only two times in its long history -- in 1932 and 1984 -- and both of those games were hosted in Los Angeles.

The city’s bid was formally submitted Monday, following the news conference. Schwarzenegger was joined by Barry Sanders, chairman of the Southern California Committee for the Olympic Games. Sanders cited many unique advantages Los Angeles possesses as a host city, emphasizing the fact that the games could be staged with almost no construction. The Los Angeles Memorial Coliseum, which also served as the backdrop for the press conference, would be central to several other venues already present in the city. Residential facilities at UCLA and USC would serve as the complete Olympic Village, providing housing and meals to all athletes, family, and media. With such venues already in place, Sanders believes Los Angeles would be free to focus its energies on building excitement for the games through a comprehensive statewide cultural program.

Other officials offered statements of support. California State Assembly Speaker Fabian Nuñez and Los Angeles Mayor Antonio Villaraigosa were present and made remarks. The Mayor was upbeat about finding workable solutions to possible issues of traffic and transportation with the recent approval of $1 billion in infrastructure bonds.

SCIENCE AND TECH COMMITTEE APPROVES METHAMPHETAMINE BILL

The House Science and Technology Committee unanimously approved H.R. 365, the Methamphetamine Remediation Research Act of 2007, on Wednesday, January 25, 2007.
The bill focuses on the clean-up needs for former methamphetamine or “meth” labs. It would take three steps to deal with the problem:
- Require the Environmental Protection Agency (EPA) to develop model, voluntary, health-based clean-up guidelines for use by states and localities;
- Authorize the National Institute of Standards and Technology (NIST) to initiate a research program to develop meth detection equipment for field use; and
- Require a study by the National Academy of Sciences on the long-term health impact of exposure to meth labs on children and first-responders.

Rep. Ken Calvert (Corona) -- who represents areas particularly hard-hit by the meth problem and is one of the four original sponsors of the bill -- stated, “The meth epidemic in our country shows no deference to district or party-line. This is an issue everyone can agree is wreaking havoc on communities across the nation.”

A similar bill passed both the House and Senate in the 109th Congress, but did not complete the conference process before Congress adjourned. The Committee believes H.R. 365 is a consensus bill; it contains two changes from the original – (1) it moves responsibility for oversight of the program from the Assistant Secretary of the Office of R&D at EPA to the EPA Administrator, and (2) the funding and authorization levels have been reduced slightly.

For more information, visit [http://www.adp.ca.gov/Meth/meth.shtml](http://www.adp.ca.gov/Meth/meth.shtml).

NEW PPIC POLL FINDS CALIFORNIANS DUBIOUS ABOUT WASHINGTON, LOOKING INCREASINGLY TO SACRAMENTO

On January 24, 2007, the Public Policy Institute of California (PPIC) released the results of its latest Statewide Survey, which reports that Californians generally support the recent shifts in Congress yet still remain deeply skeptical about the ability of their national leaders to address many key issues of concern to them.

The survey, completed with funding from The James Irvine Foundation, posits that much of Californians’ distress arises from the bleak assessment of the situation in Iraq. However, Californians have a generally upbeat assessment of the state of the state; the majority believe the state is heading in the right direction with good economic times ahead.

Some of the findings presented in this report:
- Californians’ opinions differ about the U.S. Congress: 42% approve; 44% disapprove
- 56% approve of the policies and plans of the new Democratic majority in Congress
- 51% of voters say they have a favorable impression of Speaker Nancy Pelosi
- 60% of Californian adults say the United States is headed in the wrong direction
- 53% prefer to see Democratic congressional leaders rather than President Bush (30%) take the lead in solving the nation’s problems
- 56% believe Congress and the President will not be able to work together
- 29% approve of how President Bush is handling his job; 68% disapprove
- 75% of Californians and 72% of likely voters -- including 91% of Democrats, 45% of Republicans, and 78% of independents -- disapprove of the way President Bush is handling the situation in Iraq
- 58% of Californians approve of Governor Schwarzenegger’s performance
- Approval ratings for the California State Legislature are increasing
- 55% believe the state is headed in the right direction and 50% expect good economic times in the coming 12 months
  
  For more information, please visit: [www.ppic.org](http://www.ppic.org).

**WATER RESOURCES AND ENVIRONMENT SUBCOMMITTEE LOOKS AT RENEWED INVESTMENT IN CLEAN WATER INFRASTRUCTURE**

On January 19th, 2007 the House Transportation and Infrastructure Subcommittee on Water Resources and Environment held a hearing to highlight the importance of a new and improved commitment to addressing the nation’s wastewater infrastructure needs. Newly appointed Chairwoman Eddie Bernice Johnson (TX), presided over the hearing and began by expressing the Subcommittee’s desire to discuss its near-term agenda, with the main goal of reauthorizing the Clean Water State Revolving Fund (SRF). Priority was also given to finishing several bipartisan legislative proposals considered in the previous Congress, including the Water Resources Development Act of 2006. Johnson emphasized the significant environmental, public health, and economic benefits of renewed investment in light of a 2000 report by the Environmental Protection Agency that warned of an erosion of the Clean Water Act achievements due to future population growth.

Full Committee Chair James Oberstar (MN) focused his comments on the importance of working with local governments to prevent runoff and build appropriate sewage treatment facilities. He felt a comprehensive overview of the nation’s aging water infrastructure would be a necessary step in restoring clean water. Ranking Member Richard Baker (LA) joined in what is very much a bipartisan effort to bring critical water services to all communities. Rep. Ellen Tauscher (Alamo) made it clear that the Subcommittee would oppose any proposed cuts to the Clean Water SRF in fulfilling their responsibility as stewards of the Clean Water Act.

A panel of federal, state, and local representatives gave testimony on the importance of investment in water infrastructure. Benjamin Grumbles, Assistant Administrator of the Office of Water for the Environmental Protection Agency, explained his division’s goals of generating innovative and sustainable initiatives for infrastructure management to usher in a wave of investment essential to long term success. He outlined four “pillars” of this plan: 1) Effective asset management involving a private trust; 2) Full cost pricing of water and water delivery; 3) Improved water efficiency to reduce the strain on infrastructure; and 4) A watershed approach to clean up and better water quality.

Martin Chavez, Co-Chair of the Mayors Water Council, cited a 2005 survey of the National Conference of Mayors which indicated primary needs of rehabilitation and protection of infrastructure, along with water supply availability. He pointed to revenue and activity bonds as the current most cost effective method of financing. Martin advocated an increase in the SRF to $1.35 billion and an expansion of the loan program from 20 to 30 years. He articulated that more funding and more flexibility would be necessary to address problems at the local level, especially in urban areas.

Questions from the Subcommittee probed the appropriate role of the federal government in this matter, as pollution has historically been a uniquely local problem. Grumbles of the EPA explained that the interconnection of water systems in turn requires regional solutions. He reiterated that his agency would embrace all state and local partnerships, with federal funding and loans meant to help tackle the $21 billion gap in water infrastructure needs. Representative Baker encouraged an incentive based program of financing to allow the creativity and innovation of the private sector to take hold.

For more information, visit the Committee’s website at: [http://transportation.house.gov](http://transportation.house.gov).
House Transportation and Infrastructure Hearing Reviews the Future of Surface Transportation

On January 24, 2007, the House Committee on Transportation and Infrastructure’s Subcommittee on Highways and Transit received testimony on the capacity of our nation’s surface transportation system and the challenges and changes it will face 30 to 50 years into the future. The hearing, entitled “Surface Transportation System: Challenges for the Future” discussed local, state and federal levels of reform for what is unanimously agreed to be a system vital to the future economic success of the U.S.

Steve Heminger, Executive Director of the Metropolitan Transportation Commission -- which exercises authority over surface transit in the Bay Area -- spoke about the challenges he foresees for surface transportation in California, specifically the Bay area over the next 50 years.

The following are key points from the hearing:
- Five major issues for the future of transportation are: traffic congestion, freight and goods movement, highway safety, national energy security, finance/revenue requirements
- California ships more maritime trade than any other state and the port of Los Angeles and Long Beach is expected to quadruple by 2020
- Los Angeles and Long Beach are “paying the price for the rest of the country” by being the corridor for trade and suffering the attendant pollution and gridlock
- The population is aging and an older population has higher highway fatality rates
- Many are expressing the need for a strategic national transportation plan
- Motorcycle and pedestrian accidents increased drastically over the last 3 years
- Many states are concerned with emergency evacuation routes (specifically hurricanes)
- New proposals are being seen for High Occupancy Vehicle lanes and High Occupancy Toll lanes, and
- Data sets about transportation are severely inadequate.

For more information visit: http://transportation.house.gov/.

House Hearing on the Economic and Societal Costs of Poverty with Proposals for the Future

On January 24, 2007, the House Ways and Means Committee, Chaired by Rep. Charles Rangel (NY), held a hearing to discuss how the 37 million Americans that live in poverty affect the nation’s economy and population as a whole.

The first of the witnesses assembled was Sigurd R. Nilsen, Director of Education, Workforce, and Income Security at the U.S. Government Accountability Office (GAO). His testimony drew from GAO’s new report on poverty in America, revealing the relationships between poverty, adverse social conditions, and economic growth. Nilsen described how poverty has a negative impact on individuals, leading to poor health, increased crime, and reduced labor market participation. The report was meant to demonstrate that this in turn works against the development of human capital and slows the overall economic growth rate because such individuals are less able to remain healthy and develop the abilities needed to fully participate in the workforce.

Harry J. Holzer, professor at Georgetown University and visiting fellow at the Urban Institute, concurred with the GAO report and also noted that significant poverty rates demand a high price of American tax payers to fund overburdened criminal and healthcare systems. His statistical studies have shown that childhood poverty alone costs the United States $500 billion per year, nearly 4 percent of total GDP. Holzer pointed out this suggests that policies to reduce poverty can be very cost effective, more so than previously thought. He felt greater investments in universal pre-kindergarten programs and an expanded Earned Income Tax Credit were justified, along with efforts to identify other cost-effective strategies of poverty remediation.

Ron Haskins, Co-Director of the Center on Children and Families at the Brookings Institution, began by emphasizing that the poverty stricken are in many ways poor because of personal decisions they make that
greatly increase their likelihood of being poor. For this reason, he agrees with the theory that simply giving money to poor parents would not be enough. In fact, Brookings had found that doubling cash welfare was the least effective method at reducing poverty, while increasing work levels by encouraging full time employment would be the most useful. Haskins used this to argue that poverty levels could be helped by people making the right decisions; going to work, staying in high school, and not having a baby outside of marriage. The role of the federal government would then be to meet this increased personal responsibility with plenty of work-conditioned benefits, expanding on the 1996 Welfare Reform Act. This was the basis for Haskins’ brief policy recommendations for a deeply bipartisan effort to build the low-wage economy, spur individual responsibility, and support work through government programs.

Jane Knitzer, Director of the National Center for Children in Poverty, stressed that parents are not earning enough money in wages even when employed full time. She described how this economic hardship makes it more likely for mental health problems to develop and leads to higher rates of school drop-outs. To truly help the 28 million children in low income families, Knitzer argued for long term investments in making work pay for families so that even as they earn more, they don’t lose benefits and are able to gain disposable income. She also emphasized the importance of a child’s relationships from a young age which have shown in neuroscience to shape the hardwiring of the brain, establishing a foundation for productivity and dealing with emotions. Considering that only 17 percent of children are in state funded pre-school programs, Knitzer encouraged federal funding to focus on early education and child care as well as programs like Head Start for infants and toddlers. She also asked the committee to make parenting and work support programs a priority to aid the families most at risk and improve relationships, particularly among single mothers often left to overcome various traumas such as substance abuse and domestic violence.

Because California’s poverty rate is about 10 percent above the national average, actions taken to address national poverty issues will be of particular importance to the State.

The entire GAO report, Poverty In America: Consequences for Individuals and the Economy, can be found in .pdf format at: http://www.gao.gov/new.items/d07343t.pdf. For more information on the hearing, go to: http://www.waysmeans.house.gov.

REPORT EXAMINES ECONOMIC IMPACT OF U.S. WINE, GRAPE AND GRAPE PRODUCTS

On January 17, 2007, MKF Research LLC of Napa Valley released a comprehensive study measuring the direct, indirect, and induced economic impact of the grape, wine, grape juice, table grape, and raisin industries. MKF Research LLC is the leading research source on the U.S. wine industry, and the firm conducts original research on the business of wine and wine market trends, publishes industry studies, provides business advisory services and custom business research for individual companies and investors, and conducts industry seminars. The study was unveiled on Capitol Hill by the Congressional Wine Caucus, a bipartisan, bicameral coalition of 182 U.S. Representatives and Senators with an interest in the grape and wine industry. Titled “The Impact of Wine, Grapes and Grape Products on the American Economy: Family Businesses Building Value,” the study focused on employment, agricultural statistics, product revenues, taxes, and many other indices.

Many key findings from the study illustrated the benefits of wine, grape, and grape products to the economy. The industry provides 1.1 million full-time equivalent jobs, $3.5 billion in farmgate grape sales, with 4,929 wineries in 2005 contributing $11.4 billion in winery sales revenues. In addition, $1.7 billion in retail value of grape juice and grape product sales, $3 billion retail value of table grape sales, $560 million retail value of raisin sales, and $17.1 billion in taxes are generated by the industry. Finally, wine also possesses a capital-intensive and labor-intensive component due to its infrastructure, employees, and tourism expenditures. In total, U.S. wine, grapes, and grape products contribute $162 billion to the economy, the study found.

The 30-page report also identified challenges and opportunities of the grape, wine, and grape products industries for the present and future. Some challenges included insufficient federal funding of research and
education to ensure long-term growth, increasing competitive pressures in the grape juice market, and continuing restrictions on market access. A few opportunities involved a growing market for wine in the U.S., growth of wine tourism, and increasing cooperation among industry organizations and businesses nationwide.

U.S. grape and grape product industries are largely concentrated in California. The state accounts for virtually all table grapes and raisins and roughly 90 percent of the nation’s wine production. New York and Washington State account for about 3 percent each, and all the rest of the states represent a total of 4 percent combined.

For more information or to download the report, refer to: [http://www.wineinstitute.org](http://www.wineinstitute.org).

**CALIFORNIA-FOCUSED BRIEFING CONSIDERS POLICY STRATEGIES FOR ENCOURAGING LATINO STUDENT SUCCESS IN HIGHER EDUCATION**

On Wednesday, January 24, 2007, Excelencia in Education held a luncheon briefing entitled, “California Policy Options To Accelerate Latino Student Success in Higher Education.” The luncheon was held in collaboration with the California Institute, and presenters included Sarita E. Brown, President of Excelencia in Education; Deborah A. Santiago, Vice President for Policy and Research at Excelencia; Estela Zarate, Director of Education Policy Research at Tomás Rivera Policy Institute; and Andrés E. Jiménez, Director of the California Policy Research Center.

The event focused on the project summary and reactions from the organization’s above-named report, which provides new research analysis and proposes a range of policy options to expand college access for members of California’s Latino population. Given the widely-reported demographic trends, the issue of Latino student success has a significant impact on the state’s -- and the nation’s -- economic future, the group stressed.

After an introduction by Tim Ransdell of the California Institute, Sarita Brown of Excelencia in Education outlined the parameters of the day’s discussion and gave context to the report. She noted that it was supported financially by USA Funds, and brief remarks were made by Terry L. Muilenburg, Senior Vice President for Government and Industry Relations at USA Funds.

Deborah Santiago began the substantive discussion by explaining trends, policy goals, and policy recommendations from the report, and she noted that 12 percent of the nation’s Latinos have college degrees, whereas the figure is only 9 percent in California. She said the study’s findings suggest that it is not sufficient to focus solely on “access” to higher education; rather, it is more important to focus on “success” in higher education. (Although not the sole measure, one a key determinant of success is whether the students attain degrees.) The research indicates that it is important to help students prepare for college, make college affordable, and increase degree attainment.

Santiago suggested that it is important to use existing parameters in new ways. For example, rather than simply urging the spending of new money, it is important to focus on how money is spent. Examples included targeting middle schools for elective courses that help students orient toward college, and providing college-related information to parents at very early ages. She recommended that benchmarks not look solely at headcounts of students (since who is enrolled may change sharply from one year to the next) but instead to target continuous enrollment and attainment.

Next, Estela Zarate discussed two Latino higher education programs, Kids in College, and College and Knowledge. Both programs address the need for educational intervention in the earlier years and the need for an increased effort to disseminate information concerning attending and financing higher education. Some strengths of the programs include early intervention, fairly low costs, accessibility, and program evaluations.

Andrés Jiménez of the CPRC, which is part of the University of California Office of the President, concluded with an overview of how the U.C. system relays their expertise in higher education to policy-makers. He spoke about the recent briefing of the report to twenty-six members of the California
Latino legislative caucus (in the State Legislature) and emphasized the need to actively follow through on policy recommendations.

In California, Latino students represent 46 percent of the school-aged children, however, they represent only 29 percent of students entering community colleges, 8 percent of students entering the CSU system, and 3 percent of students entering the UC system. The presenters expressed the need for parents, teachers, and those in the higher education community to address this disparity. Unless the college attainment of Latino students improves, the income of California residents is projected to decline over the next two decades.

Excelencia in Education conducted the analysis and developed the brief in association with the Tomás Rivera Policy Institute and the California Policy Research Center, the organization was supported by a grant from USA Funds. The report and other information are available at http://www.edexcelencia.org/. In addition, streaming video and audio from the event is available on the California Institute’s website at http://www.calinst.org/video.htm.

DHS TO DISTRIBUTE $445 MILLION TO SECURE CRITICAL INFRASTRUCTURE

On January 9, 2007 the Department of Homeland Security (DHS) announced their funding plans for the Infrastructure Protection Program (IPP) which will direct roughly $445 million to state, local, and private industry infrastructure protection initiatives. The IPP funding totals have increased by $46 million over last year and are made up of five grant programs.

California port areas that qualify for Tier 1, or highest risk status, as part of the Port Security Grant Program are:
- Los Angeles/Long Beach: $14.7 million; and
- San Francisco Bay: $11.2 million

The total port security funds allocated for California represent 12.9 percent of the overall Port Security Grant Program and 21.6 percent of all Tier 1 funding.

California urban areas that qualify for Tier 1 status as part of the Transit Security Grant Program are:
- San Francisco Bay Area: $13.8 million
- Greater Los Angeles: $7 million

The total transit security funds allocated for California represent 12.1 percent of the overall Transit Security Grant Program nationwide and 14.8 percent of all Tier 1 funding.

Within these amounts the transit grants will pay for enhanced security for 19 ferry systems in 14 regions. Receipts for California include $586,714 to the San Francisco Bay Area and $122,581 to Greater L.A.

For additional specific DHS funding totals for 2007, go to: http://www.dhs.gov/xnews/releases/pr_1168366069190.shtm.

L.A. MAYOR VILLARAIGOSA ADDRESSES NATIONAL PRESS CLUB EVENT

Los Angeles Mayor Anthony Villaraigosa was the guest speaker at the National Press Club lunch on Wednesday, January 24, 2007.

The Mayor discussed his position as Chair of the U.S. Conference of Mayors Poverty and Work Opportunities Task Force. Noting that the Task Force would present its findings to the Conference on January 25th, the Mayor outlined the major initiatives called for in its report:
- a substantial increase in the federal investment in pre-kindergarten instruction;
- expanding career skills training and vocational education for school children to prepare them for the jobs of the future; and
- establishing tax free lifetime learning savings accounts for each child in the United States.

During Q&A, Mayor Villaraigosa discussed a number of topics: including the need for increased investment in public transportation; the need for every American to have adequate health care; gang prevention, intervention, and suppression; and immigration reform.
The Mayor was in Washington to attend the 75th Winter Meeting of the U.S. Conference of Mayors.

**ENVIRONMENTAL AND ENERGY STUDY INSTITUTE HOLDS BRIEFING ON CALIFORNIA LOW-CARBON FUEL STANDARD**

On January 24, 2007, the Environmental and Energy Study Institute (EESI) and the Natural Resources Defense Council (NRDC) hosted a Congressional briefing on California’s recently proposed Low Carbon Fuel Standard. The briefing, entitled “Reducing Greenhouse Gases from Transportation: California Strategies under AB 32, the Global Warming Solutions Act,” was held in Rayburn 2247 and featured several energy and policy experts in addition to a representative from Governor Schwarzenegger’s office to clarify the program and answer questions.

Speakers included: Dan Sperling, the Director of the Institute of Transportation Studies and Professor of Civil & Environmental Engineering and Environmental Science and Policy; Alex Farrel, the Director of the Transportation Sustainability Research Center and recently named by Gov. Schwarzenegger to direct a joint UC Berkeley/Davis study on low-carbon fuel standards; and Roland Hwang, Vehicles Policy Director for the NRDC. The speakers discussed the California Low Carbon Fuel Standard and its relationship to national energy and climate change initiatives.

Some of the findings as stated by EESI:

- California’s transportation is 96% reliant on oil and contributes 40% of the state’s global warming emissions
- Gov. Schwarzenegger’s fuel standard is the first of its kind and is expected to reduce global warming-related emissions by 10% by 2020
- The fuel standard is expected to triple the renewable fuel market in California and put 7 million flexible fuel or hybrid vehicles on the road by 2020.

For more information, visit: [www.eesi.org](http://www.eesi.org).

**CALIFORNIA SCHOOL BOARDS REPRESENTATIVES TO GIVE EDUCATION BRIEFING: FRIDAY 1/26 AT 2:00 P.M.**

On Friday, January 26, 2007, from 2:00 to 3:00 p.m., in Room B-318 of the Rayburn House Office Building, representatives of the California School Boards Association (CSBA) will brief California Congressional delegation staff and others regarding education policy matters.

The briefing will feature comments by Rick Pratt, Assistant Executive Director of the California School Boards Association, who will present information regarding a variety of topics related to both state and federal participation in K-12 education, as well as CSBA Principal Legislative Advocate Erika Hoffman. CSBA is a collaborative group of nearly all of the state’s more than 1,000 school districts and county offices of education.

For further information, or to contact the presenters in advance, feel free to visit the CSBA website at [www.csba.org](http://www.csba.org) or contact either Rick Pratt or Erika Hoffman at 916-325-4020. To contact the California Institute, visit [www.calinst.org](http://www.calinst.org) or call 202-974-6384. Please note that there is no reply necessary to attend the briefing.