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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 that directly impacts the state. Bulletins are published weekly during sessions of Congress, and occasionally during other periods.

AT GOVERNOR’S REQUEST, WHITE HOUSE DECLARES EMERGENCY AND MAJOR DISASTER FOR SOUTHERN CALIFORNIA WILDFIRE AREAS

Responding to requests by Governor Arnold

Schwarzenegger -- which were reinforced by requests from California’s Congressional delegation and other California leaders -- President Bush declared a state of emergency for portions of southern California affected by wildfires on Tuesday, October 23, 2007, and shortly thereafter he declared a “major disaster” for the State of California.

On October 21, the governor had proclaimed a state of emergency for the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara and Ventura, the areas most affected by the wildfires.

After the State received the FEMA declaration of a federal-level state of emergency on October 23, the Governor wrote to the President, stating, “I have determined that this disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that supplementary federal assistance is necessary.” As such, the request asked for “Individual Assistance (including the Individual and Households Program, Disaster Unemployment Assistance, Crisis Counseling and Legal Services); Public Assistance; and Small Business Administration Disaster Loans. I am also requesting, as

appropriate, assistance from the U.S. Army Corps of Engineers, the Federal Highway Administration and the Natural Resources Conservation Services; implementation of the U.S. Department of Agriculture's Emergency Loan Program; and any other Stafford Act programs as appropriate for the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara and Ventura. I am also requesting that Hazard Mitigation Grant funding be made available on a statewide basis.”

On October 24 complied with the request to declare a major disaster for the state, opening the gate to a wide array of federal assistance for victims of the fires. On October 25, the President toured portions of the affected areas.

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Also on October 25, the U.S. Department of Labor approved California's request for a \$50 million grant that will help hire over 3,000 workers in temporary disaster assistance jobs in the areas affected by the wildfires. The \$50 million National Emergency Grant was approved today, with \$16.7 million released initially. These funds will create up to 3,125 temporary jobs in the sectors that are assisting in cleanup and rebuilding, local emergency transportation services and humanitarian purposes in areas affected by the fires. The grant was awarded by the U.S. Department of Labor to the California Employment Development Department, and will provide immediate assistance to the seven most affected counties. Governor Schwarzenegger also directed the Small Business Disaster Assistance Loan Guarantee Program to be activated to guarantee \$7 million in loans for farms, agriculture-related businesses and businesses in communities that suffered damage or significant economic loss as a result of the wildfires.

**UNANIMOUS CALIFORNIA CONGRESSIONAL DELEGATION
WRITES PRESIDENT BUSH REGARDING SOUTHERN
CALIFORNIA WILDFIRE DAMAGE**

On Tuesday, October 23, 2007, every member of the California Congressional Delegation signed a letter to President Bush requesting that the Department of Homeland Security (DHS) and the Federal Emergency Management Association stand ready to expedite Southern California's imminent request that the area be declared a Major Disaster as result of the wildfires consuming the area. The letter was signed by all 53 members of the bipartisan California Congressional Delegation and both Senators. At the time the letter was written, there were 15 fires burning in the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara and Ventura; Over 300,000 people had been forced to evacuate, approximately 290,000 acres of land had burned, and over 100 homes had been destroyed.

After the President complied with the requests, State leaders thanked him for the action and released statements addressing the tragedy as well. "This declaration means millions of dollars in much needed assistance to help our state rebuild and recover. The federal government did the right thing," said Governor Arnold Schwarzenegger. The Speaker of the Assembly Speaker Fabian Nunez affirmed that the "members of the California State Assembly will work closely with Governor Schwarzenegger and our local colleagues to do whatever we can to ensure that the necessary tools and resources are available to get Southern Californians through this crisis."

**SENATE PASSES 7-YEAR INTERNET ACCESS TAX BAN, MUST
BE RECONCILED WITH HOUSE'S 4-YEAR BAN BEFORE
CURRENT LAW EXPIRES NOVEMBER 1**

In the evening on Thursday, October 25, 2007, the U.S. Senate approved a seven-year moratorium on state and local governments' ability to impose taxes on internet access. The measure would extend an existing ban on such taxes; that ban is scheduled to expire on November 1.

On October 16, 2007, the House passed H.R. 3678, extending the moratorium on Internet access taxes for an additional four years. The bill prevents state and local jurisdictions from levying taxes on cable modem, digital subscriber, Wi-Fi, and other types of Internet access. About ten states that had instituted taxes before the original moratorium took effect in 1998 will remain grand-fathered in under H.R. 3678.

For more information, see *Bulletin, Vol. 14, No. 34 (10/19/07)*.

SENATE AGRICULTURE APPROVES 2007 FARM BILL

On October 25, 2007, the Senate Agriculture, Forestry, and Nutrition Committee passed the 2007 Farm Bill (HR 2419) by a voice vote. The five-year, \$283 billion overhaul of agriculture policy was passed after a two-day markup. The bill may move to the Senate floor as early as next week, where amendments involving subsidy caps, immigration, and nutrition are expected. The Farm Bill would impose modest new limits on farm subsidies, increase support for fruit and vegetable growers, bolster land conservation efforts and increase funding for nutrition programs.

This version includes a new Average Crop Revenue Program that would tie some payments to farmers to state crop revenue targets while trimming others. The program is intended to better protect farmers against the farming risks resulting in lower crop insurance premiums. The program came under attack by some farm groups and the crop insurance industry. The opposition was subdued by an amendment to require farmers opting into the new program to continue participating for the life of the farm bill. The amendment would also reduce the number of acres on which farmers could collect payments. Corn growers were some of the first farmers to support the new subsidy option, saying it would reduce crop insurance premiums, which have become increasingly expensive for the industry as a result of over production.

The committee also adopted by voice vote an en bloc amendment that, among other things, would allow fruits and vegetables meant for canning to be grown on farms that collect subsidies for other commodities. The language is a compromise for fruit and vegetable growers, who opposed changing current law that bars growers who collect federal dollars, like corn and wheat farmers, from planting fruit and vegetables on subsidized land. Meat processors would be barred from owning livestock until shortly before slaughter under the en bloc amendment, a victory for ranchers who say processors force them into unfair contracts.

Another amendment adopted by voice vote would create new Farm Services Agency offices. Tight funding has forced the Agriculture Department to shut many regional offices.

The Senate's proposed bill would authorize a record \$2 billion for specialty crops. If appropriated, the money would buy fruits and vegetables for school lunches, boost overseas advertising, and finance organic agriculture research. The Senate bill includes a \$15 million asparagus program (excluded from the House version) and \$1.1 billion for federal fruit and vegetable purchases (triple the House amount).

For additional information, please visit: <http://agriculture.senate.gov>. Also see *Bulletin, Vol. 14, No. 25 (7/27/07)*.

AFTER PRIOR WEEK'S FAILED VETO OVERRIDE, HOUSE PASSES ANOTHER SCHIP EXPANSION BILL

On October 25, 2007, By a vote of 265-142, the House passed a revised bill to reauthorize and expand the State Children's Health Insurance Program (SCHIP). With 265 votes in favor and 142 opposed, the roll call fell seven votes short of the two-thirds margin that would in theory be veto-proof.

On October 18, the House's attempt to override President Bush's veto of HR 976, the original SCHIP expansion measure, failed by a vote of 273-156, 13 votes shy of the two-thirds majority needed. That measure would have expanded the SCHIP program by \$35 billion over five years, to \$60 billion, with the costs offset by increased tobacco taxes.

The measure the House approved on the 25th expands the program by the same amount -- \$35 billion over five years. The changes from the original primarily involved a number of restrictions on eligibility, including tighter limits on use by illegal immigrants.

California uses SCHIP funding to support its Healthy Families Program, which provides low-cost health insurance to children whose families have an income too high to qualify for MediCal yet too low to afford many private insurance plans. California ranks 46th out of 50 states and the District of Columbia in its percentage of uninsured children.

For more information visit <http://www.house.gov> .

BRIEFING BY MWD LEADERS ON STATE'S PERSISTENT DROUGHT RAISES WATER SUPPLY AND QUALITY ISSUES

On Wednesday, October 24, 2007, Congressional staff and others were briefed by Jeff Kightlinger, General Manager & CEO of the Metropolitan Water District of Southern California (MWD), regarding MWD's actions to address the serious water issues confronting water users throughout California. The current record-setting drought conditions, a recent court decision that may severely curtail the amount of water available to southern California, and the state's continuing need for water storage and quality improvements are combining to profoundly affect California's water supply. Water districts such as MWD throughout the state face many challenges as they ensure that adequate clean drinking water remains readily available to customers.

Kightlinger warned the audiences of myriad limitations on California's ability to collect, move, and deliver water to the state's population. For example, he noted that Colorado River runoff is far below averages, and that six of the last ten seasons have seen record low water totals. In an analogy to the notion of a "perfect storm," Kightlinger called the current California water situation akin to a perfect drought, with record low deliveries, record low precipitation, and an eight-year drought for the Colorado River.

Kightlinger also noted the danger that an earthquake could cause massive damage to the state's fresh water transportation infrastructure. A magnitude 6.5 quake, he said, could result in the failure of 20 islands in the San Joaquin River Delta and would send salt water into the fresh water sources for the state and federal water pumping plants at the south end of the Delta. However, he did outline approaches that could move the water in a manner that would limit the quake danger.

For additional information, contact Brad Hiltcher at 202-393-4251 or bhiltcher@mwdh20.com . Materials from the briefing and additional information will be posted on the MWD website in the near future, at <http://www.mwdh20.com> .

HOUSE SUBCOMMITTEE ON HOUSING HEARS MARK-TO-MARKET EXTENSION ACT OF 2007

On Tuesday, October 23, 2007, the House Subcommittee on Housing and Community Opportunity held a hearing on H.R. 647, the Mark-to-Market Extension Act of 2007. The Subcommittee's Chairwoman, Rep. Maxine Waters (Los Angeles), called the hearing in order to examine issues related to the extension of the program.

The Mark-to-Market program, originally created by Congress in 1997 (the Multifamily Assisted Housing Reform and Affordability Act or MAHRA), lowers rents to market levels upon Section 8 contract expiration and renewal. This program was amended in 1999 and extended in 2001 (through the Mark-to-Market Extension Act). It was extended again in 2007 (through 2011) via a provision in the FY 2007 appropriations act that funded HUD.

Chairwoman Waters expressed concerns about the preservation of Section 8 project-based units. Her concerns partially emanated from reports from her district that participating property owners were potentially losing money due to late payments from the Department of Housing. She stated that this type of

problem may prevent property owners from continuing to participate in the program. The Chairwoman also wanted to ensure that the Department was engaging in uniform negotiations with property owners. She further declared problematic the lack of funding for tenant groups that is primary to their engagement in the process, and is also required under existing statute.

The primary witness testifying at the hearing was Mr. Theodore K. Toon, Deputy Assistant Secretary at the U.S. Department of Housing and Urban Development. In that capacity, he leads the Office of Affordable Housing Preservation at HUD. Mr. Toon testified regarding the main programmatic impacts of H.R. 647, in addition to responding to the concerns of the subcommittee.

The proposed legislation modifies and extends the "exception rents" exemption, which allows for a limited number of above-market rental units when projects cannot be preserved at market rent levels but still provide affordable housing in situations where it is greatly needed. (A rental rate in excess of 120 percent of the fair market rent for a given area is considered an exception rent.) Whereas current law gives the Department authority to subsidize these above-market exception rents in no more than five percent of the Department's portfolio, H.R. 647 would raise that cap to nine percent. Toon commented that HUD is presently within just a few hundred units of the five percent portfolio limit, and he added that the proposed change would likely provide the flexibility to continue using the exception rents authority throughout the remaining life of the Mark-to-Market program.

A second proposed modification deals with at-market or below-market properties, which are currently not eligible for Mark-to-Market. Extending eligibility to these projects, at the owner's option, will make eligible approximately 1,500 projects with expiring contracts in the next four years. Third is the challenge of disaster-damaged properties. This provision of the proposed legislation would allow HUD to utilize the restructure tools of Mark-to-Market, specifically the field assessment, rehabilitation, and debt restructuring authorities, toward the repair or rebuilding of Section 8, FHA-insured properties that may be damaged or destroyed in a Presidentially-declared disaster area.

Noting that the proposed legislation would extend from three years to five years the period of eligibility for nonprofit purchasers requesting debt relief, Toon predicted that the proposed change would make more than 1,000 properties eligible for such acquisition with Mark-to-Market benefits. Another witness, Sheila Malynowski, representing the National Leased Housing Association, commented that H.R. 647's proposed "longer time frame will facilitate more of these transfers to nonprofit purchasers, which often are accompanied by a low-income housing tax credit to finance substantial rehabilitation needed for the long-term viability of a project."

Mr. Toon could not address all of the Chairwoman's concerns but was charged with investigating the problems, producing requested documentation, and reporting back in a timely manner. He stated that there has been no allocation for tenant associations as part of the Mark-to-Market program since 2001.

For more information visit http://financialservices.house.gov/hearings_all.shtml .

HOUSE BORDER, MARITIME AND GLOBAL COUNTERTERRORISM SUBCOMMITTEE HOLDS HEARING ON THE FUTURE OF BORDER SECURITY

On Wednesday, October 24, the House Border, Maritime and Global Counterterrorism subcommittee held a hearing entitled "The Future of Border Security: Can SBInet Succeed?" The goal of the hearing was to examine the challenges facing implementation of the Secure Border Initiative (SBInet) along the U.S.-Mexico border.

SBInet is a multiyear, multibillion dollar program to secure U.S. borders. The element of SBInet pertinent to this hearing was the progress of the implementation of extensive surveillance and communications technology, such as radars, sensors, cameras and satellite phones.

Of particular interest to Subcommittee Chairwoman Loretta Sanchez (Garden Grove) was the progress of Project 28 -- a 28 mile long high tech surveillance corridor along the Arizona-Mexico border.

The primary components of Project 28 are nine redeployable mobile integrated sensor towers and cameras, enhanced communications, upgraded patrol vehicles, and Rapid Response Transport vehicles.

The primary chief witnesses testifying to the progress and efficiency of implementation were Mr. Gregory Giddens, Executive Director of the Secure Border Initiative for the Department of Homeland Security, and Mr. Richard Stanna, Director of Homeland Security and Justice for the Government Accountability Office. Also present were representatives from Boeing, the company developing the necessary technology, and a representative from the U.S. Border Patrol.

Mr. Giddens testified that "Customs and Border Patrol (CBP) has made significant progress in implementing Project 28." He noted that "Boeing has deployed on schedule all nine re-locatable camera and radar towers in the Project 28 area of operations in Sasabe." He added, "however, integrating complex, off-the-shelf technology that has never before been integrated has proven to be a challenge and has resulted in technological difficulties which have delayed CBP's acceptance of the system."

Mr. Stanna testified that the scope of SBInet may be larger than previously expected, and may be more challenging and costly to implement than planned. He supported these statements by citing that the GAO does not know how many border patrol agents it is going to take to make the program work; if CBO lacks an adequate amount of agents then the program will "help us count the people that we don't get"; and that the equipment is expensive to maintain and periodically replace and to date there has been no "lifetime-affordability" study of the program.

For more information visit <http://hsc.house.gov/hearings/index.asp?ID=96> .

JOINT ECONOMIC COMMITTEE PREDICTS 2 MILLION SUBPRIME HOME LOANS FORECLOSED BY 2009, WITH CALIFORNIA LEADING THE WAY

On October 25, 2007, the Joint Economic Committee released a new report estimating that 2 million subprime homes could go into foreclosure by 2009.

The JEC report, entitled "*The Subprime Lending Crisis: The Economic Impact on Wealth, Property Values and Tax Revenues, and How We Got Here*", finds that property values, personal wealth, and tax revenues are poised for major declines and that strong action by the Administration is needed to stave off broader economic downturns. The subprime fallout report argues in favor of foreclosure prevention, which it claims can save the economy billions in housing value and ease falling home prices. The report also found that the growing subprime lending catastrophe is likely to accelerate the downward spiral of house prices.

The Committee predicts that California alone will suffer \$23.7 billion cumulatively in lost housing values due to problems with the subprime market, a whopping 23% of the nation's \$103 billion losses. Since property tax revenues depend on real estate values, the tax losses suffered by California's local governments would total \$111 million.

(Thanks to Proposition 13, California's property tax rates are below the national average, and the state's local collections would thus be cut relatively less -- just 12% of the nation's total lost tax revenue would come from California property tax payers.)

Throughout the course of a foreclosure cycle that the Committee predicts will last from mid-2007 through the end of 2009, the report anticipates a total of 1.3 million U.S. homes will experience subprime mortgage foreclosures, of which 191,144 (or 14.4%) will be in California.

The following represent a few of the key points from the report:

- 2 million foreclosures will occur by the time the riskiest subprime adjustable rate mortgages (ARMs) reset over the course of this year and next
- Approximately \$71 billion in housing wealth will be directly destroyed because each foreclosure reduces the value of a home

- The ten states with the greatest number of estimated foreclosures are California, Florida, Ohio, New York, Michigan, Texas, Illinois, Arizona and Pennsylvania ... and California is far and away the leader
 - States will lose more than \$917 million in property tax revenue as a result of the destruction of housing wealth caused by subprime foreclosures
 - California is expected to lose \$23,673,462,592 of property value and \$110,921,021 of property taxes due to subprime foreclosures
- For more information, please visit: <http://www.jec.senate.gov> .

HOUSE AGRICULTURE CONSIDERS AGRICULTURAL DISASTER POTENTIAL

On October 25, 2007, the House Committee on Agriculture held a hearing to address potential agricultural disasters. Among the notable witnesses were Mr. Bradley R. Rippey, Agricultural Meteorologists with the U.S. Department of Agriculture.

The issues raised pertinent to California dealt mostly with water issues, particularly the effects of drought on water storage. Mr. Rippey's statement contended that "while California's 151 intrastate reservoirs had above-average storage through all of 2006, a sub-par 2006-07 winter wet season and unusually early snow melt has led to sharp declines in the state's water storage. In a normal year, California's reservoirs are drawn down about 2.7 trillion gallons, from 9.6 to 6.9 trillion gallons, from May to October. Between April and September of this year, California's water storage decreased from 9.5 to 6.1 trillion gallons, a drawdown of 3.4 trillion gallons." This water shortage could have potential implications for the near future of California agriculture, depending upon rain levels for 2007-08.

For more information, visit <http://agriculture.house.gov/hearings/statements.html> .

SENATE JUDICIARY LOOKS AT INTERPLAY OF FEDERAL FUNDS, UNIVERSITY RESEARCH, BAYH-DOLE ACT, AND PATENTS

On Wednesday, October 16, 2007, the Senate Committee on the Judiciary held a hearing regarding "The Role of Federally-Funded University Research in the Patent System." Among the witnesses was Dr. Charles Louis, Vice Chancellor for Research at the University of California, Riverside.

The Bayh-Dole Act governs the fruits of commercialization of technologies developed pursuant to partly or wholly federally-funded research conducted at U.S. universities.

Of particular concern to one committee member -- Sen. Charles Grassley (IA) -- was the fact that Ames, Iowa houses the one and only one institution nationwide that has been constrained by a Bayh-Dole Act provision that limits to 5 percent the portion of a laboratory's budget that may be retained by the lab. Grassley and an Iowa witness argued that the limit should be raised to 15 percent, and they charged that the current law's provision discriminates against small laboratories and against larger labs (which have larger budgets against which to compare to divine the applicable percentage). It was not clear whether any "fix" for the provision might result in an alteration in the existing profit-sharing scheme for other institutions.

Dr. Louis of U.C. Riverside praised the many positive aspects of the Bayh-Dole Act as an "inspired piece of legislation" and noted that more than 5700 new companies are the result of research ventures associated with the University of California. He cautioned against any impression that institutions and their progeny are unfairly benefitting from federal support of university research, noting that the federal funds barely cover the costs of operating the shop in the first place.

Asked about the potential for restriction on publication of findings, Dr. Louis stated that UC has a strong belief that discoveries have to be published and that it is nearly always possible to work out a way to make that happen. He noted that UC has entered into myriad licensing agreements with companies and rarely has needed difficult negotiations to do so.

Professor Arti K. Rai of the Duke University Law School commented that the application of Bayh-Dole to university research varies somewhat, with its use in the electronics sector looking considerably different from its use in the biosciences sector or the pharmaceuticals sector.

Asked by Sen. Grassley whether they were recommending product-specific or industry-specific patent rules, witnesses responded in the negative (Ms. Rai commented, “What looks like a pharmaceutical company today may look like a nanotechnology electronics company tomorrow”), but that legislators, regulators, and those regulated as well should be sensitive to differences between industries. Dr. Louis commented that these were exactly the discussions that went on in 1980 when the Bayh-Dole Act was written. There was and continues to be concern that the patent be secure and that it be defended, he said, adding that such concern is especially critical for small businesses.

Asked about prospective changes in Bayh-Dole, Robert Weissman, Director of a Washington DC - based organization entitled Essential Action, suggested additional reporting requirements. He mentioned a \$500 million investment by BP in an on-campus research venture engaged in Bayh-Dole research on the UC Berkeley campus, and Dr. Louis outlined the strong and closely-followed conflict-of-interest policy at his campus and in the U.C. Ms. Rai noted that the rules, and any profit incentives associated therewith, have not changed the research agenda of any universities. Despite initial fears when the Act was written, she said there has been no charges that fear that it has changed potential Nobel Prize winners into entrepreneurs focused purely on money.

Dr. Louis commented that in some cases, particularly in the pharmaceutical industry, any issues of high cost are not so much to be found at the research stage but later, as a technology is being commercialized and marketed.

For more data, including witness testimony, visit <http://judiciary.senate.gov/hearing.cfm?id=2998> .

SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE ADDRESSES HEALTH IMPACTS OF GLOBAL WARMING

On October 23, 2007, the Senate Environment and Public Works Committee held a full committee hearing entitled “Examining the Human Health Impacts of Global Warming,” which focused on recent developments from increasing temperatures that threaten human health and well-being. The hearing featured testimony from representatives of the Centers for Disease Control and Prevention (CDC), the National Center for Environmental Health, Physicians for Social Responsibility, the Tennessee Department of Health, and the Uniformed Services University of Health Sciences.

A few key points from the hearing include:

- CDC’s expertise and programs provide preparation for: Environmental Public Health Tracking, Surveillance of Water-borne, Food-borne, Vector-borne, Zoonotic Diseases, Geographic Information System, Modeling Projections, Preparedness Planning, Training and Education of Public Health Professionals, and Health Protection Research

- The CDC needs more focus and emphasis on public health preparedness for climate change, many of the existing programs and scientific expertise provide a solid foundation to move forward

- The World Health Organization estimates that 150,000 people die every year from effects of global warming

- The most recent report from the Intergovernmental Panel on Climate Change confirms that across the globe, including here in the United States, the frequency and duration of heat waves has increased over the last 50 years

- The United States is seeing the symptoms of global warming in the form of heat waves, fires, flooding, hurricanes, drought and increases in pest and water borne diseases

For more information, please visit: <http://epw.senate.gov> .

HOUSE NATURAL RESOURCES COMMITTEE EXAMINES GOLETA WATER DISTRIBUTION MEASURE

On October 24, 2007, the House Committee on Natural Resources Subcommittee on Water and Power held a legislative hearing to consider four pieces of legislation, including HR 3323, Goleta Water Distribution System Conveyance Act of 2007. H.R. 3323, sponsored by representative Capps, would transfer title of the federally owned distribution system associated with the Cachuma project that is within the boundaries of the Goleta Water District. The District is located in Santa Barbara County and serves about 8,000 acres of farmland and 80,000 people. Most of Goleta's water comes from the federal Cachuma Project. This hearing explored points of view from Administration officials and Goleta Water District General Manager Kevin Walsh about HR 3323.

The following are a few key points from the hearing:

- The Administration supports H.R. 3323
- The proposed transfer would apply only to land and facilities and would not affect the District's existing water service contract with Santa Barbara County Water Agency or the Federal Government receipts from water deliveries under that contract
- The Water District sent a Letter of Intent to Transfer Title to the Bureau of Reclamation in 2004 and has since completed an Environmental Assessment Report, repayment of the Bureau of Reclamation's loan, and public meetings
- The Environmental Assessment Report found no significant impact for the proposed legislation
- The title transfer will give the Goleta Water District more local control of the Distribution System and remove one administrative layer caused by United States ownership

For more information, please visit: <http://resourcescommittee.house.gov> .

RAND REPORTS ON OPTIONS TO IMPROVE HEALTH CARE ACCESS AND QUALITY FOR IMMIGRANTS

This month the RAND corporation released a report in the "Health Affairs" Journal entitled *Immigrants and Health Care: Sources of Vulnerability*. The report asserts that health care for immigrant is a chief public health concern as immigrants compose 12% of the U.S. population and "the health of this large segment of our population will affect the health of our nation." The decennial census for 2000 reports that 26.2% of California's residents are foreign-born (without regard to immigration status).

The report is interested in pinpointing vulnerabilities in ensuring that immigrants receive health care and offering policy proposals to remedy those problems. Among the noted factors affecting access to, and quality of health care for immigrants are socioeconomic background, immigrant status, limited English proficiency, residential location, and stigma and marginalization.

Some of the reports proposed remedies include expanding access to health insurance; expanding Medicaid eligibility; improving language access in hospitals serving a largely non-English proficient population; expanding and strengthening the medical safety net such as community health centers; and revising laws restricting immigrants' access to government-subsidized or sponsored health insurance.

For more information visit <http://www.rand.org/congress/newsletters/health/2007/10/immigrants.html> .

CALIFORNIA BUDGET PROJECT RELEASES SPECIAL REPORT ON LOW-INCOME WORKING FAMILIES

The California Budget Project recently released a special report entitled *Hard Work and a Fair Shot; Helping California's Low-Income Working Families Make Ends Meet*. The report takes issue with the large number of Californians working full-time but still receiving insufficient wages to make ends meet, profiles these families, and suggests policy changes that may improve their chances of success.

The report finds that approximately 2 million of California's 9.3 million working families (21.1 percent) had incomes below 200% of the federal poverty line in 2005. This level of income is not enough to maintain an adequate standard of living.

Among the notable characteristics of working families are that a majority of low income families include children; most low-income working families with children are headed by married couples; and many low-income working families are headed by an adult who lacks a high school degree.

The report suggest several policies that can increase families' income. Among the recommendations are to create a state Earned Income Tax Credit, index the state's minimum wage to inflation, increase the amount of child support paid to families, and strengthen unemployment insurance for low wage workers.

Wage increases are only a part of the solution, however, the authors state. Of equal importance is improving access to and availability of supportive services such as subsidized child care, food stamps, health coverage, and affordable housing. The report also emphasizes the importance of these families' building and protecting assets.

For more information visit <http://www.cbp.org> .

FEDERAL JUDGE'S INJUNCTION SUSPENDS NEW IMMIGRATION ENFORCEMENT PLAN

On October 10, 2007, Judge Charles Breyer of the U.S. District Court for Northern District of California issued a temporary injunction while the court considers a lawsuit against the Administration's enforcement plan. The lawsuit was filed in August by the American Civil Liberties Union (ACLU) and a consortium of labor unions and business groups. The temporary injunction is intended to prevent "irreparable harm" while the case is argued in court.

The enforcement plan will crack down on illegal immigrants in the work place by requiring employers to reconcile employee Social Security numbers that do not match official records or be held liable for hiring undocumented workers. Until the groups filed suit, the Social Security Administration had planned to notify nearly 140,000 employers last month that more than 8 million of their workers are using Social Security numbers that don't match their names.

In August, the Homeland Security Department published a rule titled "Safe-Harbor Procedures for Employers Who Receive a No-Match Letter," which required employers to correct or verify the numbers within three months or be held liable for employing illegal immigrants. Homeland Security is obligated to provide legal justification for the change and analyze the cost and impact it would have on small businesses, argued Breyer. He also wrote that the policy could harm U.S. citizens and legal workers as well as illegal workers.