



# THE CALIFORNIA INSTITUTE FOR FEDERAL POLICY RESEARCH

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## California Capitol Hill Bulletin

### Volume 16, Bulletin 5– February 14, 2009

*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.*

#### **ECONOMY: CONGRESS COMPLETES WORK ON ECONOMIC STIMULUS**

Late in the evening on Friday, February 13, 2009, the House and Senate completed work on the American Recovery and Reinvestment Act, H.R. 1. Action came after a compromise agreement was reached on Wednesday. The Senate vote on the Conference Report was 60 to 38, and the House vote was 246 to 183. No Republicans supported the measure in the House, and only the three key Senate Republicans who helped craft the measure would vote for it on final passage in that body. Although the Conference Report had not been available at press time, the Majority Whip’s Office posted a summary of the provisions in the bill. Below are some of the key measures in the compromise:

The total package is now set at about \$789.5 billion. The House-passed version had been estimated at \$819 billion, while the Senate-passed version would have cost \$838 billion. Three key Republican Senators – Susan Collins (ME), Olympia Snowe (ME), and Arlen Specter (PA) – were adamant that the overall total had to be pared back in order to ensure their votes and get the Senate over the 60 votes necessary to pass the bill. Under the compromise, \$311 billion in new funding is provided.

#### **Tax Provisions**

Under the compromise, the payroll tax cuts for individuals and families was reduced from \$500 individuals/\$1,000 couples to \$400 and \$800, respectively. Other tax provisions include:

- expanding the child tax credit by allowing families to begin qualifying for the child tax credit with every dollar earned over \$3,000.
- expands the Earned Income Tax Credit by providing tax relief to families with three or more children and increasing marriage penalty relief.
- includes a new, partially refundable \$2,500 tax credit for families with college students.
- includes provisions to prevent taxpayers from being hit by the AMT.
- removes the repayment requirement for the tax credit allowed to first-time homebuyers
- provides a tax deduction for State and local sales taxes paid on the purchase of new cars.
- temporarily suspends the taxation of some unemployment benefits.

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- extends the bonus depreciation and increased small business expensing for businesses making investments in plants and equipment in 2009.
- allows small business expensing for investment in new plants and equipment, loss carry back for small businesses, a delay of the 3% withholding tax on payments to businesses that sell goods or services to governments, and a cut in the capital gains tax cut for investors in small businesses who hold stock for more than five years.
- delays the tax on businesses that have discharged indebtedness
- provides tax credits for hiring recently discharged unemployed veterans and youth that have been out of work and out of school for the 6 months prior to hire.

**State Funding And Education**

The funding provided to the states has been cut back substantially. The House originally had \$79 billion in state fiscal stabilization funding, whereas the Senate had \$39 billion. The conferees settled on \$53.6 billion, and the states would have to tap into that funding for school modernization projects, because about \$14 billion in the House bill for school construction has been deleted. Also, it appears the money can not be used for new school construction. Below are some of the specifics of the package relating to education:

- the \$53.6 billion that comprise the State Fiscal Stabilization Fund includes \$40.6 billion to fund local school districts using existing funding formulas, which can be used for preventing cutbacks, preventing layoffs, school modernization, or other purposes; \$5 billion to states as bonus grants for meeting key performance measures in education; and \$8 billion to states for other high priority needs such as public safety and other critical services, which may include education.
- increases the higher education tax credit to a maximum of \$2,500. Also makes it available to nearly 4 million low-income students who had not had any access to the higher education tax credit in the past – by making it partially refundable.
- increases the maximum Pell Grant by \$500, for a maximum of \$5,350 in 2009 and \$5,550 in 2010. Total anticipated budgetary impact would be in excess of \$15.6 billion, with the conference adopting the higher House-recommended amount for Pell Grants. It also adds \$1.47 billion for a House-proposed boost in mandatory Pell student loans.
- adds \$100 million for teacher quality enhancement, \$200 million to the College Work-Study program, and \$60 million for Perkins loans.
- does not include \$6 billion the House had proposed for construction at higher education institutions.
- provides \$1.1 billion for Early Head Start and \$1 billion for Head Start, which will provide services for 110,000 additional infants and children.
- provides \$2 billion for the Child Care Development Block Grant to provide child care services to an additional 300,000 children in low-income families while their parents go to work.
- provides \$13 billion for Title I grants to help disadvantaged children.

The total includes \$10 billion for the main Title I grant programs, and \$3 billion for School Improvement Grants. (The school improvement total is considerably more than had been included in either the House or Senate versions, and the boost perhaps

intends to compensate slightly for the elimination of school construction monies that the House had proposed.)

- provides \$12.2 billion for grants for IDEA (Special Education) to increase the federal share of these costs, and prevent these mandatory costs from forcing states to cut other areas of education. Of the total, \$500 million would be used for preschool grants and \$11.7 billion would be for the main IDEA Part B special education grants.

### **Science, Research And Development**

For science, research & development, the final package includes the following:

- provides \$3 billion for the National Science Foundation, for basic research in fundamental science and engineering

- adds \$1.6 billion for the Department of Energy's Office of Science, which funds research in such areas as climate science, biofuels, high-energy physics, nuclear physics and fusion energy sciences. California receives the lion's share of many DOE Office of Science programs, such as fusion energy.

- provides \$400 million for the Advanced Research Project Agency-Energy (ARPA-E) to support high-risk, high-payoff research into energy sources and energy efficiency in collaboration with industry.

- provides \$1 billion for NASA, including \$400 million to put more scientists to work doing climate change research.

- provides \$1.5 billion for NIH to renovate university research facilities and help them compete for biomedical research grants.

### **Energy**

For energy related activities, the conference report

- provides a total of \$30 billion for such initiatives as a new, smart power grid (\$11 billion), advanced battery technology, and energy efficiency measures.

- provides \$20 billion in tax incentives for renewable energy and energy efficiency over the next 10 years

- includes a three-year extension of the production tax credit (PTC) for electricity derived from wind (through 2012) and for electricity derived from biomass, geothermal, hydropower, landfill gas, waste-to-energy, and marine facilities (through 2013).

- provides grants of up to 30 percent of the cost of building a new renewable energy facility to address current renewable energy credit market concerns.

- extends and expands energy-efficiency tax credits through 2010 for purchases such as new furnaces, energy-efficient windows and doors, or insulation.

- provides a tax credit for families that purchase plug-in hybrid vehicles of up to \$7,500

### **Health**

In the health care area, among the provisions in the compromise are:

- provides \$19 billion to accelerate adoption of Health Information Technology (HIT) systems by doctors and hospitals, in order to modernize the health care system

- provides an estimated \$87 billion over the next two years in additional federal matching funds to help states maintain their Medicaid programs

- provides a 65% subsidy for COBRA premiums for up to 9 months

- provides \$1 billion for a new Prevention and Wellness Fund

The Medicaid provisions would be effected by raising the FMAP, or Federal Medicaid Assistance Percentage, that determines how states and counties are reimbursed for health care services provided to poor patients. California typically receives 50 cents back from the federal government for every dollar it spends for a Medicaid-eligible patient. Experts representing Los Angeles County estimate that H.R.1 would increase the FMAP for the state to a reimbursement of 61.6 cents for each dollar spent.

### **Transportation**

For transportation and infrastructure, the conference report includes the following:

- provides \$29 billion for modernizing roads and bridges
- requires states to obligate at least half of the highway/bridge funding within 120 days.
- provides \$8.4 billion for investments in transit and \$8 billion for investment in high-speed rail corridors. The high-speed rail total was a large increase, since the House version had included no funds and the Senate had included \$2 billion. In addition, AMTRAK is to receive an additional \$1.3 billion - more than 50% greater than had been included in either the House or Senate versions of the stimulus package. Funds are intended for new construction of commuter and light rail, modernizing existing transit systems, and purchasing buses and equipment to needed to increase public transportation and improve intermodal and transit facilities.

#### **Water**

- provides \$18 billion for clean water, flood control, and environmental restoration investments, including \$1 billion for the Bureau of Reclamation to provide clean, reliable drinking water to rural areas and to ensure adequate water supply to western localities impacted by drought, \$6 billion for local clean and drinking water infrastructure improvements, and \$1.28 billion to support \$3.8 billion in loans and grants for needed water and waste disposal facilities in rural areas.

#### **Unemployed Workers**

Provisions to help workers who have lost their jobs include:

- continues through December 2009 the extended unemployment benefits program (which provides up to 33 weeks of extended benefits) that is otherwise scheduled to begin to phase out at the end of March 2009
- increases unemployment benefits by \$25 per week
- temporarily suspends the taxation of some unemployment benefits.
- increases food stamp benefits by over 13%
- provides \$100 million for Emergency Food and Shelter to help local community organizations provide food and shelter; \$100 million for formula grants to states for elderly nutrition services including Meals on Wheels; and \$150 million for the Emergency Food Assistance Program to purchase commodities for food banks to refill emptying shelves.
- provides \$4 billion for job training including formula grants for adult job training, dislocated worker job training, and youth services (including funding for summer jobs for young people); \$500 million for Vocational Rehabilitation State Grants to help persons with disabilities prepare for gainful employment; \$500 million to match unemployed individuals to job openings through state employment agencies; and \$120 million to provide community service jobs to an additional 24,000 low-income older Americans.

#### **Housing And Communities**

In the area of housing, the bill:

- increases support for several critical housing programs, including providing \$2 billion for the Neighborhood Stabilization Program to help communities purchase and rehabilitate foreclosed, vacant properties and \$1.5 billion for the Emergency Shelter Grant program to provide short-term rental assistance and other aid for families during the economic crisis.
- provides \$1 billion for the Community Development Block Grant program for community and economic development projects including housing and services for those hit hard by tough economic times.

#### **Justice Programs**

The bill will provide \$3 billion in funding for Byrne/Justice Assistance grants, and \$1 billion for the COPS program

#### **Homeland Security**

- \$2.75 billion for the Department of Homeland Security to secure the homeland and promote economic activity, including \$1 billion for airport baggage and checkpoint security, \$430 million for construction of border points of entry, \$210 million for construction of fire stations, \$300 million for port, transit, and rail security, \$280 million for border security technology and communication, and \$240 million for the Coast Guard.

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### **Corps of Engineers**

- \$4.6 billion in total added funding for the Corps of Engineers

Further information is becoming available from a variety of sources, including:

<http://www.rules.house.gov/> and <http://www.majoritywhip.house.gov/>.

## **ECONOMY: WHITE HOUSE ESTIMATES IMPACT OF STIMULUS ON STATES**

As part of its efforts to get the American Recovery and Reinvestment Act passed, the Obama Administration compiled data estimating the positive impact of the House-Senate Conference Report on the states. For California, the documents estimate that H.R. 1 will “create or save” 396,000 jobs across the state over the next two years.

According to the documents: “The estimates are derived from an analysis of the overall employment impact of the American Recovery and Reinvestment Act conducted by Christina Romer, Chair of the Council of Economic Advisers, and Jared Bernstein, Chief Economist for the Vice President, and detailed estimates of the working age population, employment, and industrial composition of each state.”

The documents also estimates the following impacts on California:

- Will make available the making work pay tax cut of up to \$800 to 12,420,000 workers and their families.

- Will give 522,000 families in California new assistance for college students through the newly created \$2,500 partially refundable tax credit for four years of college

- Will provide an additional \$100 per month in unemployment insurance benefits to 2,395,000 workers who have lost their jobs and provide extended unemployment benefits to an additional 506,000 laid-off workers.

- Will provide funding sufficient to modernize at least 1,208 schools in California

Although the breakout is not posted at this time on the White House website, it will likely be available there soon at <http://www.whitehouse.gov/blog/> .

## **ECONOMY: BREAKOUT OF WHITE HOUSE JOB ESTIMATES CLAIMS BY C.D.**

The White House claims that H.R.1, the American Recovery and Reinvestment Act that Congress passed on February 13, 2009, would generate or protect 396,000 jobs in California. As part of its campaign to gain passage, the Obama Administration parsed predicted job gains down to the Congressional District level. For example, for California’s 1st District, represented by Rep. Mike Thompson, the White House estimates the stimulus bill would add 8,000 additional jobs or protect that many existing jobs, or some combination.

The following are similar estimates for the 53 districts across California: CA-1: 8,000 jobs; CA-2: 8,100 jobs; CA-3: 8,900 jobs; CA-4: 8,800 jobs; CA-5: 7,800 jobs; CA-6: 7,600 jobs; CA-7: 7,500 jobs; CA-8: 7,900 jobs; CA-9: 7,300 jobs; CA-10: 8,100 jobs; CA-11: 8,700 jobs; CA-12: 7,700 jobs; CA-13: 7,900 jobs; CA-14: 7,500 jobs; CA-15: 7,800 jobs; CA-16: 7,900 jobs; CA-17: 7,500 jobs; CA-18: 8,000 jobs; CA-19: 8,400 jobs; CA-20: 7,800 jobs; CA-21: 8,300 jobs; CA-22: 8,900 jobs; CA-23: 7,600 jobs; CA-24: 7,800 jobs; CA-25: 8,900 jobs; CA-26: 8,100 jobs; CA-27: 7,900 jobs; CA-28: 7,500 jobs; CA-29: 7,700 jobs; CA-30: 7,800 jobs; CA-31: 7,600 jobs; CA-32: 7,300 jobs; CA-33: 7,700 jobs; CA-34: 7,300 jobs; CA-35: 7,300 jobs; CA-36: 7,900 jobs; CA-37: 7,400 jobs; CA-38: 7,400 jobs; CA-39: 7,600 jobs; CA-40: 7,600 jobs; CA-41: 8,700 jobs; CA-42: 8,200 jobs; CA-43: 8,200 jobs; CA-44: 9,800 jobs; CA-45: 9,300 jobs; CA-46: 7,500 jobs; CA-47: 6,900 jobs; CA-48: 8,500 jobs; CA-49: 8,600 jobs; CA-50: 8,000 jobs; CA-51: 7,800 jobs; CA-52: 7,600 jobs; and CA-53: 8,000 jobs.

## **RESOURCES: SECRETARY SALAZAR, COMMITTEE ON NATURAL RESOURCES DISCUSS OCS AND OFF-SHORE DRILLING**

Debate over the role of off-shore drilling and off-shore energy production was on the rise on Capitol Hill this week with the recent announcement by Secretary of Interior Ken Salazar that the Department will be implementing new processes with regard to off-shore energy production, and with the first in a series of House Committee on Natural Resources' hearings on the topic of off-shore drilling.

On Tuesday, February 10, 2009, Secretary Salazar unveiled a new process for dealing with off-shore energy resources. Salazar's announcement slows the five year oil and gas development plan announced on the last day of the Bush administration. The four components of his process include: 1) extending the deadline for public comment on the Bush administration's OCS draft proposal by 180 days; 2) ordering that the Minerals Management Service and US Geological Survey produce a report on the nation's conventional and renewable off-shore resources within 45-days; 3) hosting four regional public and stakeholder meetings -- one of which will be held on the Pacific coast; and 4) building a framework for off-shore renewable energy development.

One day later, on Wednesday, February 11, 2009, the House Committee on Natural Resources convened the first of three hearings on off-shore drilling. The hearing included presentations from Ted Danson of Oceana, Philippe Cousteau of the Ocean Conservancy, Carolyn McCormick of Outer Banks Visitors Bureau, D.T. Minich of the St. Petersburg/Clearwater Area Convention and Visitors Bureau, Zeke Grader of the Pacific Coast Federation of Fisherman's Associations, Bruce Allen of Stop Oil Seeps California, and Jefferson Angers of the Center for Coastal Conservation. Witnesses advocated in favor of re-instating the ban on oil and gas production along the nation's coastline. The ban was eliminated last fall after Congress opted not to renew it, and then President George Bush lifted a similar executive moratorium amidst growing public concern over rising gasoline prices.

The next two hearings in the series on off-shore drilling will be held on February 24th and 25th, and will include witnesses from state government and industry respectively.

Secretary Salazar's statement can be found at: <http://www.doi.gov/>

Full witness testimony and information on upcoming hearings can be found at <http://resourcescommittee.house.gov/> .

## **HEALTH: PRESIDENT SIGNS SCHIP LEGISLATION**

President Barack Obama on Wednesday, February 4, 2009, signed into law the expansion of the State Children's Health Insurance Program. The House cleared the Senate passed version of the bill, H.R. 2, by a vote of 290-135, under a rule that allowed for no amendments. The House passed its initial version of the bill on January 14, by a vote of 289-139. The Senate then amended H.R. 2 and passed it on January 29 by a vote of 66-32.

The law expands the current SCHIP program to cover about 4.1 million more children at a cost of \$32.8 billion more over the next four and a half years. The program currently covers about 7 million children. The funding will be raised by increasing the cigarette tax by 62 cents to \$1.01 per pack. The cigarette tax rose by one penny after an amendment was added that gives states the option of also providing dental insurance to participants.

The legislation also extends eligibility to legal immigrant children who have been in the United States for less than five years, increases the income levels allowed for family eligibility, and eases the stringency of identification documentation.

## **JUDICIARY: FEDERAL PANEL TENTATIVELY RULES IN FAVOR OF PRISONER RELEASE**

On Monday, February 9, 2009, a three judge panel ruled that the state of California must decrease the population of its prisons by up to 55,000 inmates in order to reduce overcrowding and ensure that all inmates receive a constitutionally required level of medical and mental health care.



The tentative ruling was released after the three judges heard testimony that overcrowding is resulting in the death of at least one inmate every month and in conditions that constitute cruel and unusual punishment. The panel also heard expert testimony that the release of prisoners would have no adverse impact on public safety.

Attorney General Jerry Brown, Department of Corrections and Rehabilitation Secretary Matthew Cate, and other state leaders have raised concerns and strong opposition to the tentative ruling, and Brown has indicated that California will appeal the ruling to the United States Supreme Court. Negotiations between prisoner-plaintiffs and the state are expected to continue.

More information can be found at <http://www.cdcr.ca.gov/>

## **RESOURCES: CALIFORNIA STATE LANDS COMMISSION REJECTS INNOVATIVE PROPOSAL FOR OFFSHORE DRILLING**

In a 2 to 1 vote on January 29, 2009, the California State Lands Commission denied the proposed Tranquillon Ridge Oil and Gas Field project that was debated and developed by both environmental groups and the Texas based oil company, Plains Exploration and Production.

Under the proposal, Plains would have been approved to drill a maximum of 17 new wells from an existing federal platform into state lands off the coast of Santa Barbara. The proposal would have required all access to state land to be accomplished through an underground approach, and would have required the Plains Exploration and Production Company to cease all drilling operations on or before December 31, 2022. The Santa Barbara County Planning Commission certified the proposed environmental impact report and approved the project. If the proposal had been approved, it would have been the first approval to drill for oil in California waters since the 1969 Santa Barbara oil spill, and would have resulted in the closure of four of the twenty oil platforms in the Santa Barbara region by 2022.

Controller John Chiang and Lieutenant Governor John Garamendi both voted against the proposal, while Tom Sheehy, the Deputy Director of the State Finance Department voted in favor.

State legislators representing California's coastal districts came out in opposition to the plan, citing concerns that the proposal would set a damaging precedent. Others, including the Santa Barbara environmental community and Rep. Lois Capps (Santa Barbara), supported the proposal. Rep. Capps released a statement calling the proposal "innovative" and raising concerns that rejection of the proposal has left the coastal community "vulnerable" to further oil and gas development in the future.

More information about the Tranquillon Ridge proposal can be found at: <http://www.slc.ca.gov/>.

## **HOUSING: DESPITE DECLINE FROM PRIOR MONTH, CALIFORNIA TOPS NATION'S FORECLOSURE NUMBERS AND HAS SIX OF WORST 10 METRO AREAS**

In January 2009, California racked up foreclosure filings on 76,761 properties, nearly double the number in Florida, the second hardest hit state. Those filings in California represented a 14 percent reduction from December 2008, but a 34 percent rise from January 2008. As such, California represented 28 percent of the nation's 274,399 filings last month. Some experts suggest that the problem was somewhat lessened by a Fannie Mae and Freddie Mac moratorium on all foreclosure sales that was extended through the end of January.

Even California's rate of foreclosures (the portion of total homes in the state) was second highest in the nation, trailing only Nevada. According to Realtytrac (the Irvine, CA - based company that monitors such action), one in every 173 California housing units was in foreclosure last month. The national rate is one in 466 homes.

In California in January, there was a Notice of Default filed against 37,693 homes, and there was a Notice of Foreclosure Sale (the instigation of an auction) filed against 22,731 properties. In addition, 16,337 properties were considered REO, or Real Estate Owned, meaning that they had already been foreclosed upon and repurchased by the bank.

California cities accounted for six of the top 10 metro foreclosure rates in January among metro areas with a population of 200,000 or more. Merced, Calif., posted the top metro foreclosure rate, with one in every 59 housing units receiving a foreclosure filing during the month, nearly eight times the national average. Other California metro areas with foreclosure rates among the top 10 were Riverside-San Bernardino at No. 4 with one in every 81 housing units receiving a foreclosure filing; Modesto at No. 5 with one in every 84 housing units; Stockton at No. 6 with one in every 86 housing units; Vallejo-Fairfield at No. 7 with one in every 100 housing units; and Bakersfield at No. 8 with one in every 120 housing units in foreclosure.

Among the state's largest counties (those with more than 400,000 residents), the rates were as follows: Los Angeles County - 13,581 total or one in every 249 homes; Orange County - 4,050 total or one in 254 homes; San Diego County - 6,138 total or one in 184 homes; Riverside County - 9,827 total or one in 76 homes; San Bernardino County - 7,802 total or one in 87 homes; Santa Clara County - 2,293 total or one in 268 homes; Alameda County - 2,516 total or one in 224 homes; Sacramento County - 4,874 total or one in 112 homes; Contra Costa County - 2,753 total or one in 142 homes; Fresno County - 1,884 total or one in 161 homes; Ventura County - 1,392 total or one in 115 homes; San Francisco County - 258 homes or one in 1386 homes; Kern County - 2,237 total or one in 120 homes; San Mateo County - 611 total or one in 436 homes; San Joaquin County - 2,649 total or one in 85 homes; Stanislaus County - 2,074 total or one in 83 homes; Sonoma County - 749 total or one in 263 homes; Monterey County - 1,002 total or one in 139 homes; Solano County - 1,502 total or one in 99 homes; Santa Barbara County - 508 total or one in 297 homes; and Tulare County - 812 total or one in every 166 homes.

The California Institute has posted a table comparing states foreclosure notices (with a California percentage by category) on its website at <http://www.calinst.org/pubs/ForeclosuresStateJan09.shtml> . For source information, visit <http://www.realtytrac.com> .

## **EDUCATION: PPIC ASSESSES STATE COMMITMENT TO SPECIAL EDUCATION STUDENTS**

A recently released Public Policy Institute of California report, *Students with Disabilities and California's Special Education Program*, provides information about California's students with disabilities and its special education programs, addresses the eligibility and placement process, examines disability rates and trends, the educational environment, and student performance on state assessments, and assesses California's financial commitment to special education.

In 2006-07, special education served more than 10 percent of California's enrolled students at an overall cost to the state of about \$9.3 billion. Special education received \$4.7 billion in categorical federal and state funds in 2006-07. According to the report, there is a decline in California's special education enrollment rate, despite an increase in autism rates, and while there have been signs of steady gains on state assessments by California's students with disabilities, their scores continue to fall well short of the state average. Special education spending in California is at an average of \$13,742 per special education student; the largest spending category for special education students is in separate class instruction.

The full report can be found at: <http://www.ppic.org/> .

In addition, for information regarding formulas determining how the federal government distributes special education dollars to California and other states, it may be valuable to examine a joint report issued in 2003 by the PPIC and the California Institute. Entitled "*Federal Formula Grants and California: Education Programs for Disabled Children*," the report examined the mechanics of the IDEA formulas that determine funding levels for California and other states. It also analyzed the state-by-state effects of prospective formula-change scenarios. (For example, California guarantees education services for disabled children through age 18, while some other states provide services through later ages. Because the law provides an incentive for states to keep that age level high, California's funding growth is slowing relative to that of other states, and it may continue to do so.) It is available from the California Institute at <http://www.calinst.org/formulas.htm> or from PPIC at <http://www.ppic.org/main/publications.asp?i=172>.



## **SCIENCE: FUSION DAY ON FEBRUARY 26 TO BRING SCIENTISTS TO CAPITOL HILL**

On Thursday, February 26, 2009, scientists and other colleagues from the fusion sciences community will attend the annual "Fusion Day" in Washington. The day will include events and visits on Capitol Hill. California leads the nation in fusion energy science activities, as well as in federal funding receipts for fusion energy research, by a large proportion.

Although there is some optimism that fusion sciences may share in some of the \$1.6 billion overall increase in funding provided by the economic stimulus measure to the Department of Energy's Office of science, there is also concern that ballooning budget deficits will put enormous downward pressure on FY 2010 and future budgets for fusion and related programs. The significant increase for federal fusion sciences spending (from \$286 million to \$493 million) that had been proposed in President Bush's 2009 budget request was never realized due to budget constraints in 2008.

Fusion energy is one of only a limited array of environmentally benign-long-term potential energy options. The Department of Energy (DOE) fusion program seeks to develop the scientific and technical basis for the nation to one day deploy fusion power. While significant progress has been made, past flat budgets have strained the fusion science community's efforts to maintain strength in the increasingly competitive global science community. Even the large increase proposed by the Administration would leave federal fusion spending well below historic levels.

Among the other federally-supported fusion energy sciences projects underway is the DIII-D National Fusion Facility, a tokamak reactor operated by San Diego-based General Atomics. Various institutions and companies across California receive fusion research funds, including Lawrence Livermore National Laboratory, Lawrence Berkeley Laboratory, SAIC, Lockheed-Martin, Boeing, and various universities (including UC campuses at Berkeley, Los Angeles, Davis, Irvine, San Diego, and Santa Barbara, as well as Cal Tech and Stanford).

For information regarding fusion energy research, visit <http://fusion.gat.com> .

## **CAPITOL HILL: ROSTER OF CALIFORNIA DELEGATION ON INSTITUTE WEBSITE**

The California Institute has compiled a roster of the California Delegation for the 111<sup>th</sup> Congress. It contains the members' names, hometowns, Hill office addresses, and phone and fax numbers. It can be found at: <http://www.calinst.org/pubs/111th.shtml> .