



THE CALIFORNIA INSTITUTE FOR FEDERAL POLICY RESEARCH

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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.

ENERGY AND ELECTRICITY: SUBCOMMITTEE HEARS TESTIMONY ON THE AMERICAN CLEAN ENERGY SECURITY ACT OF 2009

On April 21 through 24, 2009, the Energy and the Environment Subcommittee of the House Energy and Commerce Committee held a series of four hearings on the American Clean Energy Security Act of 2009.

The American Clean Energy Security Act of 2009 includes four primary titles aimed at creating jobs, promoting clean energy, encouraging energy conservation and addressing global warming pollution. These titles include a clean energy title that addresses renewable sources of energy, carbon capture and sequestration technologies, low-carbon fuels, clean electric vehicles, and the smart grid and electricity transmission; an energy efficiency title that addresses energy efficiency across all sectors of the economy, including buildings, appliances, transportation, and industry; a global warming title that establishes a limit on emissions of heat-trapping pollutants; and a transitioning title that addresses issues associated with green job creation.

On April 21st, the subcommittee heard opening statements from committee members. Video of each opening statement is available online at <http://energycommerce.house.gov>.

On April 22nd, the subcommittee heard the views of the Administration and a broad range of stakeholders. The hearing was broken up into four different panels. The first panel included agency and department heads speaking on behalf of the administration, including: The Honorable Lisa Jackson, Administrator, U.S. Environmental Protection Agency; The Honorable Steven Chu, Secretary, U.S. Department of Energy; and the Honorable Ray LaHood, Secretary, U.S. Department of Transportation. The second panel included representatives speaking on behalf of the United States Climate Action Partnership. The third panel included a range in stakeholders, including: Kevin Knobloch, President, Union of Concerned Scientists; Dr. Nathaniel Keohane, Director of Economic Policy and Analysis, Environmental Defense Fund; and others. The fourth and final panel, which

CONTENTS:

Energy and Electricity: Subcommittee Hears Testimony on the American Clean Energy Security Act of 2009. . .	1
Climate: California ARB Approves Nation's First Low-Carbon Standard.	3
Immigration: House Oversight Explores H-2B Guestworker Improvements.	3
UCDC Forum on April 30: "California as an Environmental Policy Leader ~ Climate Change, Water Policy, Chemicals Regulation, and Biosafety".	4
Health Reform: Ways & Means Examines Health Insurance Market.	5
Environment: Committee Explores Science, Technology and Greenhouse Gas Emissions.	5
Homeland Security: Following the Money, Committee Explores State and Local Oversight of Stimulus Funding	6
Immigration: Pew Releases Portrait of Unauthorized Immigrants in U.S..	7
Transportation: President Announces High Speed Rail Vision, Governor First In Line for Funds.	8
Administration: Alan Bersin Appointed DHS Assistant Secretary for International Affairs and Special Representative for Border Affairs.	9
Technology: House Science & Tech Examines Small Business Tech Innovation.	9
Health Care: Finance Committee Holds Roundtable on Health Care Reform.	10
Health Care: UCLA Data Details Numbers of Uninsured By Congressional District.	10
Space: CSA Economic Impact Report Finds California Comprises 40% of Nation's Space Enterprise.	11

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focused on the role of, and opportunity for, green jobs and a revitalization of the economy, included: Denise Bode, CEO, American Wind Energy Association; Kate Gordon, Co-Director, Apollo Alliance; David Manning, Vice President, External Affairs, National Grid; and Nathaniel Keohane, Director of Economic Policy and Analysis, Environmental Defense Fund.

Secretary Steven Chu stated that the U.S. is facing two challenges: “the first is that the (U.S.) will fail to take action on climate change in time to prevent its worst potential effects, and the second is that the United States will fail to seize this opportunity to lead, and the new clean energy jobs will be created overseas rather than in America. We can neither let our planet get too hot nor let our economy grow cold. We must get off the sidelines of the clean energy race and play to win.” Chu went on to articulate the Administration’s support of a gradual, market-based cap on carbon pollution, a Renewable Electricity Standard, and the importance of fostering continued development of critical technologies, such as a smart grid.

On April 23rd, the subcommittee heard testimony regarding the allocation policies to assist consumers, opportunities and challenges to ensuring U.S. competitiveness and international participation, low carbon electricity, carbon capture and storage, renewables, and grid modernization. Witnesses were divided into four panels, and included: Jeff Sterba, Chairman and CEO, PNM Resources Inc. (on behalf of the Edison Electric Institute); Glenn English, CEO, National Rural Electric Cooperative Association; Mark Crisson, President and CEO, American Public Power Association; Dir. Robert Michaels, Professor of Economics, California State University; Darryl Bassett, Empower Consumers; Eliot Diringer, Vice President for International Strategies, Pew Center on Global Climate Change; Lee Lane, American Enterprise Institute; Dian Greunich, Commissioner, California Public Utilities Commission; and Dan Reicher, Director of Climate Change and Energy Initiatives, Google, Inc.

The Edison Electric Institute (EEI), represented by Jeffrey Sterba, discussed the allocation of allowances under the proposed legislation. “EEI proposes that allowances should be allocated to the electric sector in the early years of a climate program with a gradual transition to a full auction. The initial allocation to the electric power sector should be 40 percent of all allowances since this is proportionate to our sector’s portion of national carbon dioxide (CO₂) emissions. This 40-percent allocation share—of a declining quantity of allowances—should remain in place until needed new climate-friendly technologies, such as CCS, are commercially available, with a gradual transition to a full action.”

As of press time, the subcommittee expected to hear testimony on April 24th regarding energy efficiency, transportation, building appliances, utilities, carbon markets, state roles under the proposed legislation, the clean air act and adaptation planning. Witnesses included: The Honorable Al Gore, former Vice President of the United States; The Honorable John Warner, former United States Senator; Dan Sperling, Director, Institute of Transportation Studies, University of California Davis; David Friedman, Research Director, Clean Vehicles Program, Union of Concerned Scientists; David Gardiner, President, David Gardiner & Associates, LLC (on behalf of the Energy Future Coalition); and Jeff Genzer, Counsel, National Association of State Energy Officials.

The Energy and Commerce Committee has indicated that it will complete consideration of the legislation by Memorial Day. The preliminary schedule is as follows:

Week of April 27, 2009: Energy and Environment Subcommittee Markup Period Begins

Week of May 11: Full Energy and Commerce Committee Markup Period Begins

A complete list of witnesses for each panel, as well as witness testimony and video of each hearing is available online at: <http://energycommerce.house.gov> .

CLIMATE: CALIFORNIA ARB APPROVES NATION'S FIRST LOW-CARBON STANDARD

On Thursday evening, April 23, 2009, the California Air Resources Board broke new ground as it approved a low-carbon fuel standard. It is widely speculated that the new standard may serve as a base template for a national policy that has been advocated by President Obama and Congressional Democrats. Thirteen other states and several Canadian provinces are also considering similar regulations.

The proposal calls for reducing the carbon content of fuels sold in the state by 10 per cent by 2020, a plan that includes counting all the emissions required to deliver gasoline and diesel to California consumers, from drilling a new oil well or planting corn to transporting it to gas stations. Any fuel with emissions over threshold levels would be penalized. Producers would be incented to comply by providing a cleaner fuel portfolio, blending ethanol with gasoline, or purchasing credits from other clean-energy producers. Some in affected businesses and industries urged further research and cautioned that any increased costs could be burdensome during a recession.

California law in 2006 required the state to reduce overall greenhouse gas emissions by 25 percent by 2020; if successful, the low-carbon standards would represent a significant step toward meeting that reduction mandate. The state estimates that transportation accounts for 40 percent of California's total greenhouse gas emissions, and Nichols commented that its growth rate exceeded that of the state's population overall. The new standards will begin phase-in on January 1.

Deliberations over the proposed standards yielded disagreements over how to treat producers of ethanol, which is largely derived from corn. The agency's analyses found significant greenhouse gas impacts from the reductions in open space caused by growing crops, and the derived fuels were penalized accordingly. Testifying on behalf of an ethanol interest, General Wesley Clark made the interesting suggestion that the ARB analysis should have been expanded to consider the carbon effects of Middle Eastern military actions associated with securing foreign fossil fuel resources.

The full text and summary information are expected to be available at <http://www.arb.ca.gov/> .

IMMIGRATION: HOUSE OVERSIGHT EXPLORES H-2B GUESTWORKER IMPROVEMENTS

The House Oversight and Government Reform Subcommittee on Domestic Policy held a hearing on: "The H2-B Guestworker Program and Improving the Department of Labor's Enforcement of the Rights of Guestworkers," on Thursday, April 23, 2009. Witnesses included: three H-2B guestworkers, and Mary Bauer, Director, Immigrant Justice Project, Southern Poverty Law Center; and Ms. Catherine Ruckelshaus, Legal Co-Director, National Employment Law Project. The hearing focused on the Department of Labor's role in overseeing and enforcing labor rights for non-agricultural Guestworkers who come to work in the United States lawfully through the H-2B visa program.

In his opening remarks, Chair Dennis Kucinich (OH) noted that the hearing is a continuation of an investigation of the Department of Labor's enforcement policies with respect to the H-2B non-agricultural guestworkers program begun after Hurricane Katrina. During the investigation and two previous hearings, he said, the Subcommittee learned that H-2B guestworkers had been exposed to egregious forms of abuse by sponsoring employers that brought them to the Gulf coast to assist with the cleanup. These abuses include wage theft, poor living conditions, and threatening actions which have amounted to human trafficking."

The guestworkers related stories of having paid thousands of dollars to come to work for a U.S. employer as an H-2B only to be subjected to such actions as having their passports confiscated, being forced

into involuntary servitude, working for substandard wages, and living in overcrowded, guarded labor camps.

Ms. Bauer explained that H-2B workers do not receive basic protections – such as the ability to change jobs if they are mistreated, and the ability to enforce basic workers’ rights. If guestworkers complain about abuses, they face deportation, blacklisting or other retaliation, she averred. Because they are tied to a single employer and have little or no ability to enforce their rights, Bauer testified, they are routinely exploited. She argued that “if the program is permitted to continue at all, it should be radically altered to address the vast disparity in power between guestworkers and their employers.” She also complained that the federal government has not committed substantial resources to addressing complaints of abuses, and that, in general, Wage and Hour enforcement by the Department of Labor has decreased relative to the number of workers in the job market. In addition, she said, DOL takes the position that it cannot enforce the contractual rights of H-2B workers, and it has declined to take action against employers who confiscate passports and visas. After arguing that DOL does have the authority to enforce H-2B cases, Bauer made several recommendations for improvements that DOL should make to bolster their protection of not only guestworkers, but U.S. workers, as well.

For more information, go to: <http://domesticpolicy.oversight.house.gov> .

UCDC FORUM ON APRIL 30: "CALIFORNIA AS AN ENVIRONMENTAL POLICY LEADER -- CLIMATE CHANGE, WATER POLICY, CHEMICALS REGULATION, AND BIOSAFETY"

On Thursday, April 30, 2009, UCDC will host an all-day conference that will examine the role California plays as a national and global leader in environmental policy, and how the state does and should interface with other key leaders on such issues as climate change, water, chemicals, and biosafety.

The conference will be held from 9:00 am to 6:00 pm at the University of California Washington Center, 1608 Rhode Island Ave, NW, in Washington DC. Lunch is included, and there is no cost to attend.

Titled "Managing Biosafety and Biodiversity in a Global World -- EU, US, California and Comparative Perspectives", the event represents the culmination of a two-year project examining the roles that California and the European Union play in defining the forefront of domestic and international environmental policy solutions. The goal of the project is to produce concrete, actionable policy recommendations to further regulatory cooperation between the EU, California and the US on transatlantic environmental issues, including climate change, chemicals policy, biosafety, water regulation, and biodiversity protection. As socioeconomic and environmental issues become increasingly integrated, innovative policy solutions are required to identify and address the complex nexus between society and environment. The project has developed a network of representatives from the US and the EU in academia, industry, the NGO-sector, and government.

To attend the April 30 conference, please reply to Conference@UCDC.edu . For more information, visit the organizer’s website at <http://igov.Berkeley.edu> .

The conference schedule includes the following components:

9:00 am -- Introductory Remarks featuring John Bruton, EU Ambassador to the US

9:20 am -- The California-EU Connection - Transatlantic Environmental Regulation-Making

11:00 am -- Green Chemistry

12:20 -- Lunch Provided

1:20pm -- Biotechnology Regulation

2:40 pm -- Water Regulation in California and the European Union

4:20 pm - California-EU Cooperation re Climate Change, Adaptation, Energy & Cap-and-Trade

5:40 pm -- Closing Remarks

The project is funded by the European Commission (DG External Relations) within the framework of the pilot-program on Transatlantic Methods for Handling Global Challenges. Event sponsors include the UC

Berkeley IGS Center on Institutions and Governance, the Leuven Centre for Global Governance Studies at Katholieke Universiteit Leuven, and the University of California Washington Center.

To attend, reply to Conference@UCDC.edu .

HEALTH REFORM: WAYS & MEANS EXAMINES HEALTH INSURANCE MARKET

The House Ways and Means Committee held another hearing in the series on reforming the health insurance market, on Wednesday, April 22, 2009. The hearing focused on strategies to reform the health insurance market to ensure greater accessibility and affordability.

Witnesses were: Uwe E. Reinhardt, Ph.D., James Madison Professor of Political Economy and Professor of Economics and Public Affairs, Princeton University, Princeton, New Jersey; Bill Vaughan, Senior Policy Analyst, Consumers Union; William D. Hobson, Jr., MS, President and CEO, Watts Healthcare Corporation, Los Angeles, California; David Borris, Owner, Hel's Kitchen Catering, Northbrook, Illinois; Kenneth L. Sperling, Global Health Management Leader, Hewitt Associates, on behalf of National Coalition on Benefits; and Linda Blumberg, Ph.D., Principal Research Associate, The Urban Institute.

Regarding the hearing, Rep. Pete Stark (Fremont), Chair of the Health Subcommittee, stated: "The health insurance market is broken. Consumers trying to navigate the marketplace find insurers who are unwilling to provide coverage, unclear about the cost of insurance, and sneaky about what care is covered. We can't fix this market without having a public health insurance plan that will compete with the private insurers to stabilize the marketplace and give consumers an option that isn't wholly profit-driven." Chairman Charles Rangel (NY) concurred, stating: "America's health insurance market is dysfunctional. This is evident by the 87 million people who went without health insurance during the past two years and the millions more who have insurance that is increasingly unaffordable or inadequate."

Mr. Hobson, as President/CEO of Watts Health Care Corporation in South Los Angeles which operates the Watts Health Center, one of the first community health centers in the country, focused his remarks on the role of health centers in the health delivery system for the publicly insured. He testified that the Watts Health Center is a "health care home" for 23,000 patients, providing 98,600 medical, dental, mental health and other specialty care visits at 3 sites. Approximately 55% of its patients are African-American and 40% are Latino. Approximately 96% of its patients have incomes below 200% of the Federal Poverty Level, and in 2008, approximately 62% had no insurance coverage.

For patients covered by a public program, such as Medicaid, Medicare, or CHIP, Hobson explained, payment to the health centers is at or very close to the cost of care provided by the federal Prospective Payment System, which allows the centers to provide the full spectrum of services its patients need. Third-party insurance, on the other hand, typically pays only about half the cost of the patients' care and, like with the uninsured, the centers supplement the cost of care to these patients with federal, state and local dollars and donations.

Mr. Hobson urged that "health reform should strive to achieve universal coverage that is available and affordable to everyone, especially low income individuals and families. . . . [and] this care must be comprehensive, including medical, dental and mental health services with an emphasis on prevention and primary care." In addition, he urged that reform should provide everyone with access to a "medical or health care home" where they can receive high quality, cost-effective care for their health needs.

For more information, go to: <http://waysandmeans.house.gov> .

ENVIRONMENT: COMMITTEE EXPLORES SCIENCE, TECHNOLOGY AND GREENHOUSE GAS EMISSIONS

On April 22, 2009 the House Science and Technology Committee held a hearing entitled "Monitoring, Measurement and Verification of Greenhouse Gas Emissions II: The Role of Federal and Academic Research and Monitoring Programs" to discuss the monitoring and measuring of greenhouse gas emissions. The hearing focused on federally-sponsored programs to monitor greenhouse gases.

Witnesses included: Alexander "Sandy" MacDonald, Director of Earth Systems Research Laboratory, National Oceanic and Atmospheric Administration; Dina Kruger Director of Climate Change Division of the Office of Atmospheric Programs at the EPA; Beverly Law, Professor of Global Change Forest Science at Oregon State University; Patrick D. Gallagher, Deputy Director of the National Institute of Standards and Technology; Michael Freilich, Director of the Earth Science Division at NASA; Richard Birdsey, Project Leader of Climate, Fire and Carbon Cycle Science at the U.S. Forest Service and the Chairman of the Carbon Cycle Scientific Steering Group.

"Monitoring and verification of greenhouse gases doesn't sound like a very exciting topic. It's a little like housekeeping – it is an essential task that goes unnoticed – until it isn't done well or it isn't done at all," said Chairman Bart Gordon (TN). "Our colleagues on the Energy and Commerce Committee have begun their work to develop a plan to reduce our nation's greenhouse gas emissions. In December, 192 countries will meet in Copenhagen to forge an international agreement to reduce emissions. We will need a robust monitoring system that is capable of telling us whether we are reducing emissions and meeting our policy goals. And, we need to know how the Earth's climate system is responding."

The Committee is exploring the key requirements that need to be addressed in developing a scientifically and operationally robust system for verifying compliance with potential climate agreements. The current monitoring system serves primarily research and observation purposes .

Witnesses offered recommendations for enhancing the existing monitoring system so that it would be better able to provide the information required by a greenhouse gas control program. These recommendations included such things as increasing the number and density of ground-based observations, enhancing vegetation inventories, and providing for continuity of satellite-based information.

Witnesses also testified about the need for both top-down measures, such as satellite-based or ground-based monitoring focused on measurement of aggregate emissions over large areas or global averages, and bottom-up measures, including monitoring or reporting of emissions from specific facilities or geographic locations. The extent and mix of top-down and bottom-up approaches will be different depending upon the design of the control program.

This is the second hearing in a series. The first was held on February 24, 2009 to examine greenhouse gas reporting systems and the methods used to verify the information reported to greenhouse gas registries.

More information can be found at <http://science.house.gov>

HOMELAND SECURITY: FOLLOWING THE MONEY, COMMITTEE EXPLORES STATE AND LOCAL OVERSIGHT OF STIMULUS FUNDING

On April 23, 2009, the Senate Homeland Security and Governmental Affairs Committee, chaired by Senator Joe Lieberman held a hearing titled "Follow the Money: State and Local Oversight of Stimulus Funding," focusing on expenditure of funds appropriated in the American Recovery and Reinvestment Act (PL 111-5).

Witnesses included: Gene L. Dodaro, Acting Comptroller General of the Government Accountability Office; Raymand C. Scheppach, Executive Director of the National Governors Association; and Carolyn M. Coleman, Director of Federal Relations for the National League of Cities.

The hearing was the fourth in a series of hearings on ways to prevent waste, fraud, abuse and mismanagement of American Recovery and Reinvestment Act funds. The witnesses provided testimony about how state and local governments are proceeding to implement the spending bill designed to create jobs and jump start the economy.

Hearing witnesses each voiced concerns that state officials have about the costs of overseeing the Act. Committee Chairman Joe Lieberman, and Ranking Member Susan Collins, agreed that state and local governments need to be able to use some of their share of the American Recovery and Reinvestment Act (ARRA) money to pay for administrative and oversight costs.

According to the OMB, about \$60 billion of the \$500 billion in spending appropriated by the Recovery Act has been committed so far to put people to work. About \$300 billion of the \$500 billion in spending will be under the supervision of state and local governments that may be forced to lay off the very personnel needed to oversee Recovery Act spending to avoid waste, fraud, abuse and theft that some law-makers feel could discredit the program. In a report released on state and local implementation, the GAO recommended federal officials provide more guidance to states to oversee the millions of dollars coming their way.

More information can be found at: <http://hsgac.senate.gov>

IMMIGRATION: PEW RELEASES PORTRAIT OF UNAUTHORIZED IMMIGRANTS IN U.S.

On April 14, the Pew Hispanic Center, a project of the Pew Research Center, released a "A Portrait of Unauthorized Immigrants in the United States," a report which builds on previous work aimed at estimating the size and growth of the U.S. unauthorized immigrant population. In the 2008 version of the report by the Pew Hispanic Center estimated that 11.9 million unauthorized immigrants lived in the United States, and concluded that the undocumented immigrant population grew rapidly from 1990 to 2006 but has since stabilized. In report released last week, the Pew Hispanic Center estimates that the rapid growth of unauthorized immigrant workers also has halted, finding that there were 8.3 million undocumented immigrants in the U.S. labor force in March 2008.

According to the Center, significant findings include:

- Unauthorized immigrants living in the United States are more geographically dispersed than in the past and are more likely than either U.S. born residents or legal immigrants to live in a household with a spouse and children.

- A growing share of the children of unauthorized immigrant parents—73%—were born in this country and are U.S. citizens.

- Based on March 2008 data collected by the Census Bureau, the Center estimates that unauthorized immigrants are 4% of the nation's population and 5.4% of its workforce.

- The children of unauthorized immigrants, both those who are unauthorized immigrants themselves and those who are U.S. citizens, make up 6.8% of the students enrolled in the nation's elementary and secondary schools.

- About three-quarters (76%) of the nation's unauthorized immigrant population are Hispanics; the majority of undocumented immigrants (59%) are from Mexico, numbering 7 million.

- Unauthorized immigrants are spread more broadly than in the past into states where relatively few had settled two decades ago. However, growth of this population has slowed in California. Although the State still houses the largest number of undocumented migrants—2.7 million, or almost double the number in 1990—it is home to a markedly smaller proportion of them. California's 42% share in 1990 declined to 22% in 2008.

- About half of undocumented adults live with their own children under 18. Nearly half of unauthorized immigrant households (47%) consist of a couple with children. That is a greater share than for households of U.S.-born residents (21%) or legal immigrants (35%).

- Most children of unauthorized immigrants—73% in 2008—are U.S. citizens by birth. The number of U.S.-born children in mixed-status families (unauthorized immigrant parents and citizen children) has expanded rapidly in recent years, to 4 million in 2008 from 2.7 million in 2003. By contrast, the number of children who are unauthorized immigrants themselves (1.5 million in 2008) hardly changed in the five-year period and may have declined slightly since 2005.

- Children of unauthorized immigrants are a growing share of students in kindergarten through grade 12. 6.8% of K-12 students have at least one parent who was undocumented in 2008. In five states, about 10% or more of students are children of undocumented-immigrant parents. Most of these children, having been born in the United States, are U.S. citizens.

- The nation's labor force of 154 million people includes an estimated 8.3 million unauthorized immigrants. The 5.4% unauthorized-immigrant share of the labor force in 2008 rose rapidly from 4.3% in 2003, and has leveled off since 2007.
- Unauthorized workers constitute roughly 10% or more of the labor force in California. In 2008, 17% of construction workers were undocumented, an increase from 10% in 2003. One in four farm workers is an unauthorized immigrant
- Adult unauthorized immigrants are disproportionately likely to be poorly educated. Among unauthorized immigrants ages 25-64, 47% have less than a high school education. By contrast, only 8% of U.S. born residents ages 25-64 have not graduated from high school.
- An analysis of college attendance finds that among unauthorized immigrants ages 18 to 24 who have graduated from high school, half (49%) are in college or have attended college. The comparable figure for U.S.-born residents is 71%.
- The 2007 median household income of unauthorized immigrants was \$36,000, well below the \$50,000 median household income for U.S.-born residents. In contrast to other immigrants, undocumented immigrants do not attain markedly higher incomes the longer they live in the United States.
- A third of the children of unauthorized immigrants and a fifth of adult unauthorized immigrants lives in poverty. This is nearly double the poverty rate for children of U.S.-born parents (18%) or for U.S.-born adults (10%).
- More than half of adult unauthorized immigrants (59%) had no health insurance during all of 2007. Among their children, nearly half of those who are unauthorized immigrants (45%) were uninsured and 25% of those who were born in the U.S. were uninsured.

The full report and more information can be found at: <http://pewhispanic.org>

TRANSPORTATION: PRESIDENT ANNOUNCES HIGH SPEED RAIL VISION, GOVERNOR FIRST IN LINE FOR FUNDS

When President Obama stated, the week of April 13, 2009, that he plans to spend at least \$13 billion to launch the development of high-speed passenger rail transportation, Governor Schwarzenegger was among the first to announce that California would be "in the front of the line for federal funds." The Governor has long urged significant federal investment in California's high-speed rail system- the development of which, he says, is far ahead of any other high-speed rail system in the nation.

The American Recovery and Reinvestment Act of 2009 included provisions for high speed rail, allocating approximately \$8 billion in funds this year. President Obama indicated that he plans to budget an additional \$5 billion over the course of the next five years. According to President Obama, the Department of Transportation will begin to award money to projects by the end of summer. Ten projects are eligible for funds, including: a northern New England line; a line running east to west in New York State; a line in the Pacific Northwest; a line running laterally through Pennsylvania; a Chicago network; a southeast line connecting the District of Columbia to Florida and the Gulf Coast; a Gulf Coast line; a corridor in central and southern Florida; a Texas-to-Oklahoma line; and a California line between San Francisco and Los Angeles.

In a press release, Governor Schwarzenegger stated "With more than ten years of planning already completed and a commitment last November by voters to issue nearly \$10 billion of state bonds, California is once again leading the nation as the first state to commence and fund high speed rail development. On top of boosting demand for jobs at a time when we need it most, federal investment in our high-speed rail system will help lay a sustainable foundation for economic growth, help us meet our environmental goals and improve our quality of life, we have already laid the groundwork for high-speed rail in California and with a boost from our federal partners, nearly 40 million Californians and millions of travelers from around the world will be able to experience the reality of America's first high-speed rail system."

The state formed the California High Speed Rail Authority (CHSRA) in 1996. In 2008, voters approved nearly \$10 billion in bonds for the project. Over the past decade, the CHSRA has conducted studies to prepare for the implementation of high-speed trains in California, and has developed a financing strategy for the project that depends on state and local funding, public-private partnerships and federal funds.

The Governor also announced four appointments to the California High-Speed Rail Independent Peer Review Committee, which was approved by California voters in November 2008, through Proposition 1A. The Governor's appointments include: Louis Thompson; Will Kempton; Eugene Skoropowski; and John Chalker. The Peer Review Committee will include eight members; positions are unsalaried, and do not require Senate confirmation. The Peer Review Committee is charged with reviewing the planning, engineering, financing and other elements of the CHSRA's plans and issuing an analysis of the authority's financing plan, including the funding plan required for each corridor.

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

ADMINISTRATION: ALAN BERSIN APPOINTED DHS ASSISTANT SECRETARY FOR INTERNATIONAL AFFAIRS AND SPECIAL REPRESENTATIVE FOR BORDER AFFAIRS

The U.S. Department of Homeland Security (DHS) Secretary Janet Napolitano announced the appointment of Alan Bersin as DHS Assistant Secretary for International Affairs and Special Representative for Border Affairs. Bersin previously served as U.S. Department of Justice Southwest Border Representative.

Mr. Bersin's responsibilities at DHS will include improving relationships with the Department's partners in the international community, as well as those at the state and local level including elected officials, law enforcement, community organizations and religious leaders. He will lead the Department's efforts to crack down on violence along the Southwest border highlighted in Secretary Napolitano's March 24 announcement including the deployment of additional personnel and enhanced technology to help Mexico target illegal guns, drugs and cash.

Mr. Bersin is a law enforcement official, educator, and civil servant who has served as California's Secretary of Education and the Superintendent of the San Diego Public Schools, as Special Representative for the Southwest Border with responsibility to coordinate border law enforcement from South Texas to Southern California, and as the U.S. Attorney for California's Southern District. Most recently, Bersin was the Board Chairman of the San Diego County Regional Airport Authority. He holds a B.A. from Harvard College, a J.D. from Yale University, and was a Rhodes Scholar.

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

TECHNOLOGY: HOUSE SCIENCE & TECH EXAMINES SMALL BUSINESS TECH INNOVATION

On Thursday, April 24, 2009, the Subcommittee on Technology and Innovation of the Committee on Science and Technology held a hearing to examine the role of the Small Business Innovation Research (SBIR) and the Small Business Technology Transfer (STTR) Programs in supporting innovation at small high-tech firms and how, in turn, this promotes the economic welfare of the Nation.

Witnesses were: Dr. Robert Berdahl, President of the Association of American Universities; Mr. Jim Greenwood, President and CEO of Biotechnology Industry Organization (BIO); Dr. Sally Rockey, Acting NIH Deputy Director for Extramural Research at the National Institutes of Health (NIH); and Mr. Jere Glover, Attorney and Executive Director at the Small Business Technology Council.

Issues raised at the hearing included:

- how the SBIR and STTR effectiveness in promoting innovation in today's global R&D enterprise can be improved;
- whether the current SBIR (2.5%) and STTR (0.3%) set asides are appropriate;
- how effective the SBIR and STTR programs are at stimulating innovation at small high-tech firms;

- the role and importance of small high-tech firms to the US innovation cycle and to fostering economic growth; and
- whether small high-tech businesses with venture capital investment should be allowed to participate in the SBIR and STTR programs.

For the testimony of the workers, go to: <http://democrats.science.house.gov> .

HEALTH CARE: FINANCE COMMITTEE HOLDS ROUNDTABLE ON HEALTH CARE REFORM

The Senate Finance Committee on Tuesday, April 21, 2009, held a roundtable discussion on options for health care reform. Among the numerous participants was Peter V. Lee, Executive Director, National Health Policy, Pacific Business Group on Health. Pacific Business Group on Health is a nonprofit association of many of the nation's largest purchasers of health care, based in California. PBGH represents both public and private purchasers who cover over 3 million Americans, seeking to improve the quality of health care while moderating costs.

In his remarks, Mr. Lee discussed five policy approaches that PBGH believes can help create an environment that will encourage effective delivery system reform:

- Transparency in provider performance and the comparative effectiveness of treatments, drugs and devices
- An infrastructure to support the efficient collection and sharing of information
- Payments that reward higher value and provide consistent incentives across both public and private sector payors
- Effective ways to engage patients with information and incentives to make the best decisions
- Policy and governance processes that incorporate the perspectives of those who receive and pay for care, as well as those who provide it.

For Mr. Lee's testimony, as well as that of the numerous other participants, go to: <http://finance.senate.gov> .

HEALTH CARE: UCLA DATA DETAILS NUMBERS OF UNINSURED BY CONGRESSIONAL DISTRICT

The UCLA Center for Health Policy Research released data on April 23, 2009 that shows the number and percent of children, teenagers and adults who did not have health insurance for all or part of the year in each state Congressional, Assembly and Senate district.

Congressional districts with the highest number of uninsured included:

- Congressional District 31 (represented by Rep. Xavier Becerra) had the highest percentage of uninsured residents (33.23 percent) as well as the highest overall number of uninsured: approximately 211,000 people age 0-64.
- Congressional District 20 (Rep. Jim Costa) had the second highest percentage of uninsured (29.1%), comprising roughly 200,000 people 0-64
- Congressional District 13 (Rep. Pete Stark) had the lowest percentage of uninsured residents (10.82 percent) – 61,000 people
- Congressional District 12 (Rep. Jackie Speier) had the lowest overall number: approximately 58,000 people age 0-64 (11 percent).

Center researchers stressed that uninsurance rates since the data were collected in 2007 may have risen further. The study was funded by the California Endowment and uses the latest data, released in December from the California Health Interview Survey, the nation's largest state health survey.

To obtain the web-only data, go to: <http://www.healthpolicy.ucla.edu/uninsured-districts.asp> .

SPACE: CSA ECONOMIC IMPACT REPORT FINDS CALIFORNIA COMPRISES 40% OF NATION'S SPACE ENTERPRISE

On Monday, April 20, 2009, leaders of the California Space Authority (CSA) held a news conference at the National Press Club in Washington DC to release their new "Space Enterprise Impact Report." The report details the impact on California, nation and world of space enterprise.

The CSA report finds that California ranks #1 in economic impact with 40 percent of the nation's and 21 percent of the world's total space enterprise. Annual contributions to the state exceed \$76 billion, including \$31 billion in revenues, \$19.4B in wages, creating and sustaining more than 370,000 jobs. The authors conclude that California's space enterprise has a greater impact on revenue and jobs than any other industry. The study also highlights the new generation of entrepreneurial California space companies, well positioned in the launch segment of the industry.

Among the report's other specific findings:

- California gets \$9.8 billion, the majority share of the total \$18.5 billion DoD space budget
- Space enterprise contributes \$31 billion in revenue to the state economy
- Space enterprise creates 71,000 direct jobs, 300,000 induced jobs, and \$19 billion in wages
- California has 34 percent of the dominant global share of satellite manufacturing
- California has 26 percent of the \$67 billion global satellite services market and is well positioned to benefit from major growth potential
- A strong partnership with US military and civil space programs is the bedrock of the California space enterprise
- Engineering and research programs of California's public and private universities work with NASA, DARPA, DoD and other government agencies to position California as a research and development powerhouse.
- Space enterprise in California fosters innovation, transfers technology to the commercial arena and generates new consumer products which drive the development of small business and jobs

On hand at the release event on Monday were California Space Authority (CSA) Directors and Trustees, Executive Members, and representatives from the State of California. Many were in town for Space Week, which helps highlight contributions by California's and the nation's space industry. Speakers included former Congresswoman Andrea Seastrand, who is CSA's Executive Director; Janice Dunn, Deputy Executive Director and Director of Federal Government Relations at CSA, Randall Garber of A.T. Kearney, which authored the Economic Impact Study.

Rep. Ken Calvert (Corona), a past chair of the House Science Subcommittee on Space and Aeronautics, commented, "California is home to three of the nation's ten NASA centers, more than any other state. At a time when California's economic future relies increasingly on scientific and engineering expertise, these centers provide critically important knowledge, experience and innovation found nowhere else. They serve as a magnet for some of the best scientific minds in the nation."

The report is available from CSA at <http://www.californiaspaceauthority.org/> .