



THE CALIFORNIA INSTITUTE FOR FEDERAL POLICY RESEARCH

1608 Rhode Island Avenue, NW, Suite 213, Washington, D.C. 20036
202-974-6384 fax:202-223-2330 e-mail: randsell@calinst.org web: <http://www.calinst.org>

California Capitol Hill Bulletin

Volume 16, Bulletin 13 – April 30, 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.

BUDGET: HOUSE & SENATE PASS FY 2010 BUDGET AND SEND TO PRESIDENT

On Wednesday, April 29, 2009, the House and Senate passed the FY 2010 Budget resolution (H.Con.Res 85), sending it to President Obama for his expected signature. The House acted first voting 233-193; no Republicans voted for the package and seventeen Democrats voted against it. The Senate then followed with a 53-43 vote, also with no Republican support and with four Democrats voting nay.

The budget totals \$3.56 trillion and contains reconciliation instructions on future consideration of health care reform and legislation on private lenders of student aid, which will allow the Senate to consider those issues without having to surmount the 60-vote hurdle to avoid a filibuster. The reconciliation instructions were not included in the Senate version of the resolution and are opposed by Republicans. Democrats have said they will only resort to using reconciliation later in the year when they consider health care and student aid if necessary.

Although non-binding, the budget resolution establishes the roadmap for taxes, appropriations, and entitlement programs for the fiscal year. This year it allocates \$1.086 trillion in discretionary, roughly \$10 billion less than the Administration requested. It also assumes that Congress will appropriate the \$556 billion requested by the Administration for defense, a four percent increase, but provide less for domestic programs than the Administration requested. The Budget is projected to lower the deficit from \$1.7 trillion in 2009 to \$523 billion by 2014.

The resolution also includes tax cuts of more than \$1.7 trillion over the next ten years. It calls for extending the 10 percent tax bracket, the child tax credit, education incentives and marriage penalty relief. It also calls for a three-year extension of alternative minimum tax relief and indexing the AMT, as well as permanently extending the 2009 estate tax level of a \$7 million exemption for couples and \$3.5 million for individuals. The Budget also calls for extending the President's Making Work Pay tax credit beyond 2010.

CONTENTS:

Budget: House & Senate Pass FY 2010 Budget and Send To President.	1
Resources: House Resources Looks at Stimulus Funding For Water Needs.	2
Energy: Senate Committee Hears Proposed Clean Energy and Energy Efficiency Technologies	3
Disasters: House Approves Pre-Disaster Mitigation Reauthorization, With Slight Change In Formula For Funding Distribution.	4
Technology: House Science Committee Passes IT Improvement Bill.	4
Intellectual Property: House Judiciary Holds Hearing on Patent Reform.	4
Immigration: Senate Judiciary Subcommittee Holds Hearing on Immigration Reform.	5
Health: Senate Health, Education, Labor & Pensions Committee Hears State Experiences with Health Care Coverage Initiatives.	6
Education: Californians Want Change in Public Schools, Better Use of State Funds.	6
Immigration: Pew Report Shows 2008 Electorate Was Most Diverse.	7
Energy: Chevron & L.A. Metro Install 1.2 Megawatt Solar Panel System.	7
Environment: UCDC Conference Discusses California's Global Leadership and the CA-EU Connection.	8
Environment: Organic Pollutant Regulation in California and Europe.	9
Water: Experts Compare Water Policies of California, US, and EU.	9

ADVISORY BOARD SUPPORTERS
OF THE
CALIFORNIA INSTITUTE

The California Institute wishes to express its heartfelt thanks to the following donors for their generous support, without which none of our work would be possible.

BENEFACTORS

The California State University
University of California
Public Policy Institute of California
Sempra Energy
Southern California Edison
PG&E Corporation

PATRONS

AT&T
The Boeing Company
General Atomics
Safeway Inc.
Verizon Foundation
Hewlett-Packard

SPONSORS

Applied Materials
California Business Roundtable
California Chamber of Commerce
California Federation of Teachers
California Institute of Technology
Center for California Studies, CSUS
Century Housing
Chevron
League of California Cities
Pacific Life
SAIC
University of Southern California
Wine Institute

CONTRIBUTORS

Association of California Water Agencies
California Bankers Association
California School Boards Association
California State Association of Counties
City of Los Angeles
RAND

Bay Area Economic Forum
California Association of Realtors
California Farm Bureau Federation
California Space Authority
International Brotherhood of Teamsters
Jacobs Engineering
Metropolitan Water District of So. Calif.
Platinum Advisors
Trimble Navigation
Wyle Laboratories
Xilinx

California Institute for Federal Policy Research
1608 Rhode Island Ave, NW, Suite 213
Washington, DC 20036 www.calinst.org

The AMT relief and indexation would disproportionately help Californians -- the state's taxpayers shoulder more than 20% of the nation's AMT burden.

For more information, go to either: <http://budget.house.gov> or <http://budget.senate.gov>.

RESOURCES: HOUSE RESOURCES LOOKS AT STIMULUS FUNDING FOR WATER NEEDS

The House Resources Subcommittee on Water and Power, chaired by Rep. Grace Napolitano (Norwalk), held a hearing on April 28, 2009 to examine stimulus funding for the Interior Department's Bureau Of Reclamation (BOR) and the Water Resources Division of the United States Geological Survey (USGS).

Witnesses included: Bill McDonald, Acting Commissioner, Bureau of Reclamation, Department of the Interior; Matthew C. Larsen, Ph.D., Associate Director for Water, United States Geological Survey; and Rich Atwater, Chief Executive Officer/General Manager of Inland Empire Utilities Agency, President of WaterReuse Association, Chino, CA.

In addition to Chair Napolitano, Reps. George Miller (Martinez), George Radanovich (Mariposa), and Jim Costa (Fresno) also participated in the hearing.

Acting Commissioner McDonald laid out the funding under the American Recovery And Reinvestment Act (ARRA) allocated to BOR, as follows. Reclamation recovery projects in six program investment areas will receive a total of \$945 million in stimulus funds. The program areas and funding are:

- Meeting Future Water Supply Needs \$450.9 Million
- Infrastructure Reliability and Safety \$164.5 Million
- Environmental/Ecosystem Restoration \$236.3 Million
- Green Buildings \$ 13.5 Million
- Water Conservation Initiative (Challenge Grants) \$ 40.0 Million
- Emergency Drought Relief \$ 40.0 Million

Within the funding, McDonald said, ecosystem restoration and infrastructure reliability projects in California will receive more than \$260 million of the total funding. Some of the projects already specified are: \$109.8 million to build a pumping plant at the Red Bluff Diversion Dam; \$22.3 million to address safety and \$8.5 million for infrastructure repair at the Folsom Dam near Sacramento; \$20 million for the Contra Costa Canal; \$4.5 million to restore the Trinity River; and \$26 million for the Battle Creek Salmon/Steelhead Restoration project. Other projects include \$4 million to the Bay Delta Conservation Plan for conveyance systems to move Central Valley Project and State Water Project water, habitat restoration and adaptive management; \$4 million to broaden scientific knowledge of Klamath River sedimentation for future management decisions; and \$20.7 million in smaller water infrastructure and related projects across California. Additionally, of the \$135 million allocated specifically for not yet named water recycling projects, McDonald expects many to be in California.

Mr. Atwater lauded the allocation of \$135 million of ARRA funds to the Title XVI water recycling program, and thanked Chair Napolitano and other members for their strong support of the program. He stressed the cost effectiveness of water recycling,

stating that it costs six to eight times more energy to transport water from Shasta to San Diego than it does to recycle the water in San Diego. He also noted that, because of the cost-share cap under Title XVI that restricts federal funding generally to 25 percent of a project, the actual money available for Title XVI will be about \$500 million over the next two years.

During questioning, Commissioner McDonald allowed that none of the stimulus shovel-ready projects dealt with the Delta smelt problem and the ban on pumping water. Reps. Radanovich, Miller, and Costa all urged BOR to closely consider funding the Two Gates Project, which would build two gates to protect the smelt from the pumps. It is their understanding that there is very little holding the project back from being “shovel-ready,” perhaps just a need to expedite the permitting process. McDonald allowed that if the project would help alleviate California’s drought, it warrants expediting, and he would look into it.

For further information, go to: <http://naturalresources.house.gov> .

ENERGY: SENATE COMMITTEE HEARS PROPOSED CLEAN ENERGY AND ENERGY EFFICIENCY TECHNOLOGIES

On April 28, 2009, the Senate Energy and Natural Resources Committee held a hearing on proposed legislation that would improve the availability of financing for deployment of clean energy and energy efficiency technologies. Witnesses included: Matt Rogers, Senior Adviser for the American Recovery and Reinvestment Act, Office of the Secretary of Energy; Dan Reicher, Director, Climate Change and Energy Initiatives, Google.org; John Denniston, Kleiner Perkins Caufield and Byers; Jeanine Hull, Counsel, Dykema Gossett PLLC; and Joe Hezir, Vice President of the EOP Group.

The 21st Century Energy Technology Deployment Act, which was introduced by Congressman Jay Inslee (WA), is similar to a bill introduced by Senator Jeff Bingaman (NM) in June 2008. According to the author, investments in the deployment of new energy technologies have lagged far behind what will be necessary to meet the challenges of energy and climate security. A leading cause of this under-investment is the difficulty promising technologies face in securing sufficient financing to build projects, due to the risks lenders perceive in new and unfamiliar technologies, resulting in high interest rates and a prohibitively high need for equity financing.

This bill would create the CEDA - the Clean Energy Deployment Administration. The CEDA would:

- be an independent administration within the Department of Energy (similar to the Federal Energy Regulatory Commission);
- be responsible for providing various types of credit, including loans, loan guarantees, and other credit enhancements, to support the deployment of clean energy technologies;
- seek to accommodate riskier debt and thus provide a mechanism for deployment of the most innovative technologies;
- use a portfolio investment approach in order to mitigate risk and is to try and become self-sustaining over the long term by balancing riskier investments with revenues from other services and less risky investments; and
- use a set process (which is outlined in the bill) for goal-setting in various areas, and provides initial targets and goals for specific technologies.

Hearing witnesses generally supported the proposed legislation. According to Google’s Dan Reicher, “Overall, the 21st Century Energy Technology Deployment Act takes the right approach to moving critical technologiesbut there are some areas where it might be further improved. At the core of these improvements is ensuring that CEDA ends up successfully funding the right set of projects that will move breakthrough technologies...to full scale commercialization.” Other suggested improvements to the proposed legislation ranged from eliminating by statute the need for a credit rating agency review in the case of emerging growth companies, to loosening hiring restrictions.

Complete witness testimony and the archived web cast can be found at: <http://energy.senate.gov/>

DISASTERS: HOUSE APPROVES PRE-DISASTER MITIGATION REAUTHORIZATION, WITH SLIGHT CHANGE IN FORMULA FOR FUNDING DISTRIBUTION

By a vote of 339-56, the House on April 27, 2009 passed H.R. 1746, under suspension of the rules. The Pre-disaster Mitigation Act of 2009 reauthorizes the Pre-Disaster Mitigation (PDM) program for three years, at a level of \$250 million for each of fiscal years 2010 through 2012.

The bill increases the minimum amount that each State can receive under the program from \$500,000 to \$575,000, but maintains that each State shall receive the lesser of this new amount or one percent of the total funds appropriated for the fiscal year. A State also may not receive more than 15 percent of the total funds appropriated for a fiscal year. In addition, H.R. 1746 codifies the competitive selection process of the program, as currently administered by the Federal Emergency Management Agency (FEMA).

If the program were to be appropriated maximum funding of \$250 million, the one-percent minimum would mean no state would receive less than \$2.5 million. Historically, Congress has not appropriated maximum funds; total 2009 funding is \$90 million, meaning that the minimum grant was \$900,000 for the smallest state.

Small-state minimums work to the disadvantage of large states like California. A one-percent minimum consumes half of the program's funds, leaving only the remaining funds to be allocated based on need.

TECHNOLOGY: HOUSE SCIENCE COMMITTEE PASSES IT IMPROVEMENT BILL

On Wednesday, April 29, 2009, the House Science Committee passed by voice vote H.R. 2020, the Networking and Information Technology Research and Development Act of 2009, or the NITRD Act. The bill is aimed at improving networking and information technology, international science and technology cooperation, and science, technology, engineering, and mathematics (STEM) education. It calls for improving the NITRD program by strengthening its interagency strategic planning process and requiring input on the process from a wide range of industry and academic stakeholders.

Committee Chair Bart Gordon (TN) stated: "The NITRD Program involves a collaboration of more than a dozen federal research and development agencies for a current total federal investment of approximately \$3.5 billion. To ensure that we make the most effective use of our own resources to remain a leader in these fields, it is critical that these many agencies come together to develop common goals and well defined strategies for networking and information technology R&D."

The Committee adopted an amendment proposed by Rep. Lynn Woolsey (Petaluma). She noted: "Computing, networking, and information technology—and the innovations they yield—are critical to our American economy. Unfortunately, the current education pipeline does not meet the demands of these crucial industries. My amendment would strengthen computer science curricula, and expose and attract a more diverse population of students to this vital area of study."

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

INTELLECTUAL PROPERTY: HOUSE JUDICIARY HOLDS HEARING ON PATENT REFORM

The House Judiciary Committee held a hearing on Thursday, April 30, 2009 on H.R. 1260, the "Patent Reform Act of 2009."

Witnesses were: David Simon, Chief Patent Counsel for Intel; Phillip S. Johnson, Chief Intellectual Property Counsel at Johnson & Johnson; John R. Thomas, Georgetown University Law School Professor; Jack W. Lasersohn, a partner at Vertical Group; inventor Dean Kamen; Mark Chandler, Senior Vice President at Cisco; and Bernard Cassidy, Senior Vice President and General Counsel for Tessera Inc.

Reps. Zoe Lofgren (San Jose), Darrell Issa (Vista), and Brad Sherman (Sherman Oaks) -- all members of the Committee -- participated in the hearing. Issues discussed included:

- whether there was a way to distinguish legislatively between legitimate non-practicing entities and those set up merely to scam the patent system;
- the merits of including a post-grant second window and its impact on certainty;

- the time in the patent litigation process at which Markman decisions and the gatekeeper provisions should come into play and whether they should be linked together;
- the need for an orderly transition to the first-to-file rule; and
- the need to fully fund the Patent and Trademark Office and protect patent fees from being used for general treasury expenditures.

More information on the hearing can be found at: <http://judiciary.house.gov> .

IMMIGRATION: SENATE JUDICIARY SUBCOMMITTEE HOLDS HEARING ON IMMIGRATION REFORM

The Senate Judiciary Subcommittee on Immigration, Border Security and Citizenship held a hearing on Thursday, April 30, 2009 on “Comprehensive Immigration Reform in 2009, Can We Do It and How?” Witnesses were: J. Thomas Manger, Chief of Police, Montgomery County, MD, Director, Major Cities Chiefs Association; Alan Greenspan, Economist, Former Chairman, Federal Reserve of the United States; Dr. Joel Hunter, Senior Pastor, Northland Church, Member, President's Advisory Council on Faith-Based and Neighborhood Partnerships, Longwood, FL; Jeff Moseley, President and CEO Greater Houston Partnership; Doris Meissner, Senior Fellow, Migration Policy Institute, Former Commissioner, U.S. Immigration and Naturalization Service; Eliseo Medina, Executive Vice President, Service Employees International Union; Wade Henderson, President and CEO, Leadership Conference on Civil Rights; and Kris Kobach, Professor of Law, University of Missouri.

During her opening remarks, Sen. Dianne Feinstein called for passage of an AgJobs bill. She noted that in California alone 500,000 acres of agriculture land now lie fallow because of a shortage of workers. She said despite efforts to recruit U.S. workers, labor shortages are forcing farmers to shut down or change to crops that can be harvested mechanically. She also noted that some farms are beginning to cultivate crops in Mexico rather than in the United States. She said that, when differences regarding the H2-A program had been worked out between the growers and the farmworkers, she would again introduce an AgJobs bill.

Most of the witnesses were in agreement that there is a strong need to comprehensively reform U.S. immigration laws as soon as possible, both for economic and humanitarian reasons. Mr. Greenspan testified that generally the markets will function to keep immigrant worker demand in line with immigrant worker availability, and he noted that in the past year the estimated level of undocumented workers has fallen as a result of the economic recession and the lack of jobs in the United States. He estimated that undocumented workers account for about five percent of the total U.S. civilian work force, and averred that the benefits gained from undocumented immigrants far outweighs their cost to the United States. He noted that while some evidence suggests that unskilled illegal immigrants marginally suppress wage levels of native-born Americans without a high school diploma, and impose significant costs on some state and local governments, both the estimated wage suppression and fiscal costs are relatively small in comparison to the benefits.

Mr. Kobach, who served as former Counsel to the U.S. Attorney General during 2001-2003, during which time he was the Attorney General's chief adviser on immigration law and border security, focused his testimony on what he termed the amnesty program contained in previous immigration bills. He objected to including a widespread path to citizenship in immigration reform legislation because of the inability of U.S. Citizenship and Immigration Services (USCIS) to implement the amnesty, and the national security risks that would result. If all undocumented immigrants estimated to be in the United States applied under a new amnesty program, Kobach estimated that 48,000 applications filed per day would have to be spread among the 3,638 status adjudicators in USCIS, or an average of 13 adjustment applications per adjudicator per day. An impossible task, he argued. On the national security vulnerability, he noted that previous bills only gave adjudicators until the end of the next business day to satisfy background check requirements, a task he argued was infeasible and would make the U.S. vulnerable to allowing criminals and terrorists into the system.

Other issues discussed at the hearing, included:

- the impact of the 287(g) program on police department budgets and personnel;
- the need in any immigration reform bill to take into consideration future flows of immigrants, in addition to dealing with the undocumented immigrants currently in the U.S.;
- the need for a temporary worker program; and
- the need to ensure that highly skilled foreign born workers are retained in the U.S. workforce.

The testimony of all the witnesses can be obtained at: <http://judiciary.senate.gov> .

HEALTH: SENATE HEALTH, EDUCATION, LABOR & PENSIONS COMMITTEE HEARS STATE EXPERIENCES WITH HEALTH CARE COVERAGE INITIATIVES

On April 28, 2009, the Senate Health, Education, Labor and Pensions Committee held a hearing entitled “Learning From the States: Individual State Experiences With Health Care Reform Coverage Initiatives in the Context of National Reform.” Witnesses included: Jon Kingsdale, Executive Director, Commonwealth Health Insurance Connector; Susan Besio, Director of the Office of Vermont Health Access, Human Services Agency, State of Vermont; Harry Chen, Emergency Room Physician and Board Member, Vermont Program for Quality in Health Care; Brent James, Executive Director of the IHC Institute for Health Care Delivery Research, Intermountain Health Care Inc.; David Clark, Majority Leader of the Utah House of Representatives; Ruth Liu, Senior Director, Health Policy and Health Reform, Kaiser Permanente Institute for Health Policy; and Eileen McAnney, Senior Vice President, Associated Industries of Massachusetts.

According to Kaiser Permanente Institute for Health Policy representative, Ruth Lui, “determining a single strategy for a smooth transition in a national reform effort may prove very difficult given the wide variation in market conditions and regulations across the country.” She suggested that it may ultimately be preferable to establish federal standards around benefit design and financial subsidies along with rules and regulations to ensure broad choice and fair rating for consumers and appropriate risk adjustment across plans. She also indicated that implementation benchmarks could also be established through federal regulation, such that states could be allowed to design their own transitional strategies to meet these benchmarks with provision of federal subsidy dollars tied to meeting these standards and benchmarks.

Full witness testimony and a web cast can be found at: <http://help.senate.gov> .

EDUCATION: CALIFORNIANS WANT CHANGE IN PUBLIC SCHOOLS, BETTER USE OF STATE FUNDS

On April 29, 2009, the Public Policy Institute of California (PPIC) released a Statewide Survey on Californians and Education. Key findings include:

- 58% of residents say that the education system needs major changes. 61% agree that more state funding would lead to higher quality public schools. 85% agree that better use of existing state funds would improve schools.
- While 56-percent of Californians are very concerned that the state’s budget gap will cause significant cuts to schools, they are divided about whether they would be willing to pay higher taxes to keep funding at current levels: 48 percent would and 49 percent would not.
- A majority of residents (58%) say that K-12 education is the area they most want to protect from spending cuts during the recession
- Even as many Californians see education quality as a big problem, 53 percent give their neighborhood schools a grade of A (19%) or B (34%).
- 96% say it is important for K–12 schools to prepare students for college, but less than half say the school system does an excellent (4%) or good (42%) job of doing so.
- When it comes to determining how state money should be spent on public schools, residents would prefer that their local school districts (49%) or local schools (33%) rather than the state (13%) make the decisions.

- 77% say schools in lower-income areas have less money for teachers and classroom materials than those in wealthier areas; a large majority (70%) would spend new money on lower-income schools.
 - 69% think students should pass the exit exam to graduate, with Latinos (80%) most likely to agree. Most Californians are very (55%) or somewhat (32%) concerned that students in lower-income communities have higher failure rates on the test.
 - Vocational education is very important to 71% of Californians, but 31 percent of those who say it's very important think schools are doing a good or excellent job at preparing students for the workforce.
 - A majority of Californians (70%) say the dropout rate is a big problem, with blacks (85%) and Latinos (82%) much more likely than whites (65%) and Asians (51%) to hold this view.
 - The legislature's overall approval rating remains low at 23%, though that is up from 18% last month, but drops to a record low 18 percent on education issues. More than six in 10 (63%) disapprove of the way the legislature is handling education. Governor Arnold Schwarzenegger's overall job approval rating matches his record low (32%). Obama retains 70 percent approval rating.
- The complete survey is available at www.ppic.org.

IMMIGRATION: PEW REPORT SHOWS 2008 ELECTORATE WAS MOST DIVERSE

On April 30, 2009, the Pew Hispanic Center released *Dissecting the 2008 Electorate: Most Diverse in U.S. History*, by Mark Hugo Lopez, Associate Director, Pew Hispanic Center, and Paul Taylor, Executive Vice President, Pew Research Center.

The report, examining Census Bureau data, finds that last year's election was the most racially and ethnically diverse in U.S. history, with nearly one-in-four votes cast by non-whites. The nation's three biggest minority groups--blacks, Hispanics and Asians--each accounted for unprecedented shares of the presidential vote in 2008, the authors found.

Overall, whites made up 76.3% of the record 131 million people who voted in November's presidential election, while blacks made up 12.1%, Hispanics 7.4% and Asians 2.5%. The white share is the lowest ever, yet is still higher than the 65.8% white share of the total U.S. population, the report finds.

Among black eligible voters, the voter turnout rate increased 4.9 percentage points, from 60.3% in 2004 to 65.2% in 2008, nearly matching the voter turnout rate of white eligible voters (66.1%). For Hispanics, participation levels also increased, with the voter turnout rate rising 2.7 percentage points, from 47.2% in 2004 to 49.9% in 2008. Among Asians, voter participation rates increased from 44.6% in 2004 to 47.0% in 2008. Meanwhile, among white eligible voters, the voter turnout rate fell slightly, from 67.2% in 2004 to 66.1% in 2008.

Population growth, especially among Latinos, also added to the diversity, the authors noted. Between 2004 and 2008, the number of Latino eligible voters rose from 16.1 million in 2004 to 19.5 million in 2008, or 21.4%. In comparison, among the general population, the total number of eligible voters increased by just 4.6%.

To obtain the full report, go to: <http://pewhispanic.org>.

ENERGY: CHEVRON & L.A. METRO INSTALL 1.2 MEGAWATT SOLAR PANEL SYSTEM

On April 27, 2009, the Los Angeles County Metropolitan Transportation Authority (Metro) and Chevron Energy Solutions unveiled the nation's largest solar panel system at a transit facility, and the largest solar panel installation within the City of Los Angeles. According to Metro and Chevron Energy Solutions, the 6,720 individual solar panels at Metro's Support Services Center in downtown Los Angeles -- Metro's central maintenance facility for buses -- will generate 1.2 megawatt, or 1,200 kilowatts of renewable, emission-free power. Along with other energy-efficient improvements planned by Metro--including the installation of new heating, ventilation and air conditioning systems, compressed air systems, and the replacement of about 4,000 lighting fixtures, all controlled by a state-of-the-art energy management system -

- the project is expected to cut the facility's annual energy bill in half, allowing Metro to reduce its power costs and lessen carbon emissions by more than 3,700 metric tons.

The project, which is a public/private partnership between Metro and Chevron Energy Solutions, cost about \$16.5 million, and will receive about \$6.3 million in incentives from the Los Angeles Department of Water and Power (LADWP), Southern California Gas Co. (SoCalGas), and the South Coast Air Quality Management District (AQMD). The project was financed by Bank of America.

“Los Angeles is now one step closer to becoming the solar capital of the United States,” said Los Angeles Mayor and Metro Board Chair Antonio Villaraigosa. “Today's unveiling of the City's largest solar-powered facility will not only generate clean, renewable energy, but will provide the kinds of green jobs that this economy so desperately needs.”

For more information, visit www.chevronenergy.com . For Metro information, visit www.metro.net .

ENVIRONMENT: UCDC CONFERENCE DISCUSSES CALIFORNIA'S GLOBAL LEADERSHIP AND THE CA-EU CONNECTION

On Thursday, April 30, 2009, the University of California's Washington Center hosted an all-day conference examining 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 event was organized by the IGS-UC Berkeley Center on Institutions and Governance (<http://igov.berkeley.edu>) and the Leuven Centre for Global Governance Studies and LICOS at the University of Leuven in Brussels (<http://www.biosafetyandbiodiversity.eu/>).

Titled “Managing Biosafety and Biodiversity in a Global World -- EU, US, California and Comparative Perspectives,” the event represented 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 that project has been 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.

Discussing the state's prominence as an environmental leader, UCDC Director Bruce Cain noted that California has geographic factors that promote the creation of smog. Public outcry rose, environmental awareness built, and California got focused on its eradication early -- in the 1950s and 1960s. (In fact, the California exemption for California in the Clean Air Act, passed two generations ago, owes its existence to the fact that it was further along than any other state.) California's history made it a natural leader on climate issues, and the state has a systematic predilection to be a "superregulator". Still, Cain cautioned, there are still many political limitations in Washington. California is well poised to take advantage of these new environmental initiatives, but many other states (including important swing states like Michigan and Ohio) are less well positioned to do so. In addition, there is the economic recession, and any changes are likely to be sensitive to their overall economic impact.

Andrew Manale of the EPA's Office of Policy, Economics, and Innovation suggested that California is unique insofar as there is a sense among elected officials in the state that California should act *before* Congress does, since California's approach will likely be than what Washington would produce. If we wait for Congress to act, he said, the result “won't be good enough” for Californians.

For more information about the conference and the project that yielded it, visit the organizer's website at <http://igov.Berkeley.edu> . Video and transcripts are expected to be posted in the future.

ENVIRONMENT: ORGANIC POLLUTANT REGULATION IN CALIFORNIA AND EUROPE

At an April 30, 2009, conference on California environmental policy leadership, U.C. Berkeley's Chris Ansell outlined findings from a study of "Transatlantic Perspectives on Persistent Organic Pollutants (POPS) and Endocrine Disrupting Chemicals (EDCs)."

Ansell pointed to several federal laws that address so-called Persistent Organic Pollutants, including the Toxic Substances Control Act (TSCA); the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA); and the Clean Air Act (CAA). He noted that California voters, sensing that federal approaches did not go far enough, approved Proposition 65, which created the Safe Drinking Water and Toxic Enforcement Act. He also noted that California's pesticide program is more stringent and comprehensive than federal programs -- in part because Californians consider TSCA inadequate.

Ansell added that the European Union has been proactive with several methods to address the issues, and that internationally there is the 2003 Stockholm Convention on Persistent Organic Pollutants. Although the U.S. was a signatory to the Stockholm Convention, which addresses 12 particularly toxic pollutants, the U.S. still has not ratified it -- a point criticized by speakers. (During Q&A, a Congressional Research Service staffer said Congress is working to alter TSCA and FIFRA to ensure they are consistent with international treaties -- thereby enabling the Senate to ratify them.)

The California Environmental Protection Agency's Joan E. Denton noted that one does not really know whether POPS are actually toxic. While they are persistent, there has not been comprehensive study of many of their toxicities.

Wally Baker, President of the Los Angeles-based Green Technology Foundation, commented that California and other advances have been driven by individual environmentalism. To date, chemicals regulation largely has been a staff-driven approach, but this could change in the future. Baker commented that California's people understood clean air, they could see whether the air was clean, and they fought back against dirty air. The challenge today will be helping consumers understand POPS and EDCs -- the more the population understands, the more active they will become. Baker predicted that US EPA will likely use California as the model delivery system, as the state is nimble and able to move faster than . He cautioned that California has been "more the scout than the pioneer," and that the scout often gets cut off from the crowd.

Baker added that the current economy will play a major role in wherever we go. In the current economy, he said, we cannot have an *arrogant* regulatory process that says "we're just going to outlaw that," rather than "let's work together." Baker commented that both California and the nation instead need a *self-confident* regulatory process to move ahead.

For more information, and to view video and transcripts once they are posted, visit <http://igov.Berkeley.edu> .

WATER: EXPERTS COMPARE WATER POLICIES OF CALIFORNIA, US, AND EU

The UCDC conference segment entitled "*Rivers of Diversity: Evolving Water Regulation in California and the European Union*" focused on the differences between water policy development both currently and in history.

Report author Gabrielle Bouleau said that under California and US laws, much of enforcement has been left to the Endangered Species Act, with its relatively easily understandable emphasis on the survival of specific, identifiable flagship species. As such, the public has been an important enforcer of accountability. In the EU, on the other hand, the measurements are more esoteric, with data-oriented metrics that are less well understood by the general public.

Bouleau stated that there is a lack of a comprehensive scheme for water allocation in California. In the EU, there are relatively few binding environmental quality standards and no right for individuals, but it imposes performance rules on Member States and the environmental movement. She added that California and US laws focus on efficiency and cost-benefit analyses, which is a somewhat different approach from the

European model. Dealing with diversity made California and the EU adaptive, with clear-cut doctrines allocating water as property rights.

In response, the former chair and a current member of the California State Water Resources Control Board, Tam Doduc, countered that there were many other laws beyond the ESA (such as CEQA) that engage the public in environmental regulation.

Robert Wilkinson of the Water Policy Program at UC Santa Barbara noted that, since the beginning of state water policy, California employed the logic of “use it or lose it” and “first in time, first in right” -- and these policies have been replicated, for better and worse, by other governmental structures within and without the US.

Gerald Secundy, President of the California Council for Environmental & Economic Balance (CCEEB) opined that there should be an analysis of what is feasible versus what is valuable, citing the example of San Francisco Bay. The Bay’s seafloor has 60,000 kilograms of Mercury from an old mining operation, and thousands more kilos that wash in from poorly sealed former mines, but there have been many protests against current operations elsewhere that cause a few kilos of additional flow per year. He said hundreds of millions of dollars per year are spent to divert runoff, sometimes for relatively little gain.

Video, transcripts, and other information are expected to be made available at <http://igov.Berkeley.edu> .