EDUCATION: MCKEON SEeks TO ENSURE EDUCATION EQUITY FOR CALIFORNIA’S VETS

Rep. Buck McKeon (Santa Clarita) will be introducing a bill in the near future to rectify an unforeseen consequence of recently enacted legislation that will unfairly penalize California veterans.

The Post - 9/11 GI Bill is a new education benefit program for individuals who served honorably on active duty after September 11, 2001. Based on the length of active duty service, veterans are entitled to a percentage of the following: a) the cost of tuition and fees, not to exceed the most expensive in-state public undergraduate tuition; b) a monthly housing allowance; c) a yearly books and supplies stipend of up to $1000 per year; and d) a one-time payment of $500 paid to certain individuals relocating from highly rural areas.

On April 17, 2009, the VA released their determination on each state's maximum benefit levels. If a veteran chooses a private education, the VA will cover the cost not to exceed the most expensive in-state public undergraduate tuition.

Because California’s public institutions of higher education charge no tuition, their fees are often considerably higher than the amount of fees charged by private institutions that are permitted to levy a tuition cost. Based on the amount charged by California public institutions to in-state residents, the Department of Veterans Affairs has determined the maximum tuition benefit for California’s veterans to be $0, and the maximum fee benefit to be $6,586.54. A California veteran attending Stanford University (with an approximate tuition cost of $37,000 and fees of $1,000), for example, would receive no benefit to defray the cost of tuition and would only be able to access $1,000 in fee benefits to cover that portion of the cost.

Rep. McKeon’s Veterans Educational Equity Act, H.R. 2474, ensures California veterans are able to access the full benefit calculated under the law, rather than limiting their funding because of the state's zero tuition policy. It will allow the full benefit - in California's case $6,586.00 (tuition and fee assistance) - to be used to help offset the cost of a private education - granting California’s veterans benefits similar to those enjoyed by veterans in other states.

For more information, contact Ryan Crumpler in Rep. McKeon’s Office at ryan.crumpler@mail.house.gov. Rep. McKeon is seeking cosponsors.
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  
Sempra Energy  
Southern California Edison  
PG&E Corporation

**Patrons**
AT&T  
The Boeing Company  
General Atomics  
Public Policy Institute of California  
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**
Assn of California Water Agencies  
California Bankers Association  
California School Boards Association  
California State Association of Counties  
City of Los Angeles  
Metropolitan Water District of So. Calif.  
RAND  
Bay Area Economic Forum  
California Association of Realtors  
California Farm Bureau Federation  
California Space Authority  
International Brotherhood of Teamsters  
Jacobs Engineering  
Platinum Advisors  
Trimble Navigation  
Wyle Laboratories  
Xilinx

---

**E NERGY: HOUSE COMMITTEE MARKS UP THE AMERICAN CLEAN ENERGY AND SECURITY ACT**

On May 18, 2009, the House Energy and Commerce Committee, led by Chairman Henry Waxman (Los Angeles), began a four day long mark-up of HR 2454, the American Clean Energy and Security Act (ACES). Over the course of the past two years, the Committee has held a wide range of hearings on energy and climate change policy. On March 31, 2009, Chairman Waxman and Chairman Ed Markey of the House Select Committee on Energy Independence and Global Warming released a discussion draft of the ACES bill, and have since heard the testimony of over 70 witnesses on the legislation. On May 15, 2009, the bill was formally introduced.

On the first day of mark-up, Chairman Henry Waxman and Chairman Ed Markey introduced an Amendment in the Nature of a Substitute. The committee identified the following as major changes between the May 15th version and the May 18th version: a) definition of the term renewable biomass in regard to the Renewable Electricity Standard was changed; b) provisions related to new source review under the Clean Air Act were revised to clarify that these requirements would not apply going forward for greenhouse gas emissions from new or modified power plants and other sources; c) the bill was amended to reflect that the Administration is establishing a national harmonized standard for auto emissions, and strikes related sections; d) the new version provides for a one-time updating of the formula for allocating allowances to electricity local distribution companies based on emissions to be done in 2013; and e) the new version includes a new section providing the Secretary of Transportation with the authority to establish an open fuel standard in the event that sufficient fuel volumes and infrastructure are expected to be available. A more detailed summary of the bill as it was introduced on May 18, 2009, and can be found at:  
http://energycommerce.house.gov

Three more days of debate and discussion ensued as over fifty amendments were introduced and considered by the Committee. The following is a list and description of many of the amendments agreed to by the committee. This list was generated based on documents available online as of May 21, 2009. Every effort was made to accurately identify approved amendments and to provide a brief and correct overview of the purpose of the amendment. Amendments that were not agreed to are not listed, but all amendments that were introduced and discussed are listed at  

- Dingell, Inslee, Gordon (agreed, 51-6): Inserts an entire section entitled Nuclear and Advanced Technologies. This forty page amendment generally establishes the Clean Energy Deployment Administration and makes other changes to the Energy Policy Act of 2005.
- Sutton, Inslee, Dingell, Stupak, Braley (agreed, 50-4): Establishes a vehicle trade in program, to be administered by the National Highway Traffic Safety Administration, called the “Cash for Clunkers Temporary Vehicle Trade in Program.

- Eshoo (agreed, voice vote): Establishes a Clean Technology Business Competition Grant Program to be administered by the Secretary of Energy, with the purpose of providing grants to organizations to conduct business competitions that provide incentives, training and mentorship to entrepreneurs and early stage start-up companies in areas such as energy efficiency, renewable energy, air quality, water quality and conservation, transportation, smart grid, green building, and waste management.

- Baldwin (agreed, 30-19): Directs the Secretary of Energy to provide funds to institutions of higher education to establish Building Assessment Centers with the purpose of promoting energy efficiency, environmental performance, training, education and research.

- Christensen (agreed, voice vote): Amends the Energy Policy Act of 2005, aimed primarily at expanding the definition of “state” to include District of Columbia, American Samoa, Guam, the Common-wealth of the Northern Mariana Islands, Puerto Rico, and the Virgin Islands.

- Space (agreed, voice vote): Changes the requirements for coal and petroleum coke energy generating units to be eligible to receive emissions allowances. As amended the bill would generally require that retrofit applications of generators which get at least 50-percent of their power from coal and/or coke, and have a generating capacity of 200 megawatts or more, can apply emissions reductions from the carbon capture and sequestration of flue gas towards their emissions reductions goals, thereby lowering the threshold for eligibility to receive emissions allowances.

- Balwin (agreed, voice vote): Includes in the standards and protocols for defining and measuring electricity savings that can be counted towards compliance obligations for renewable energy credits, procedures for counting electricity savings achieved by solar water heating and solar light pipe technology.

- Rush (agreed, voice vote): Promotes the development of low-income community energy efficiency programs.

- Inslee (agreed, 36-20): Creates a National Bioengineering Partnership, and includes an allocation of $7,500,000 to promote the development and deployment of biomass fuels and bioengineering technologies.

- Schakowsky (agreed, 36-20): Establishes the Office of Consumer Advocacy to represent and appeal on behalf of energy customers, matters concerning rates and service issues of public utilities. The office would function similar to California’s Division of Rate Payer Advocates at the California Public Utilities Commission.

- Castor (agreed, 31-18): Clarifies that a State legislature or regulatory authority may set the rates for a sale of electric energy by a facility generating electric energy from renewable energy sources pursuant to a State-approved production incentive program under which the facility voluntarily sells electric energy.

- McNerney (agreed, 34-21): Establishes within the EPA, a WaterSense program to identify and promote more energy efficient products and practices.

- Baldwin (agreed, 34-21): Establishes a Product Carbon Disclosure program.

- Welch (agreed, 25- 4): Establishes national energy efficiency goals of an improvement of overall energy productivity of the US (measured in GDP per unit of energy input of at least 2.5-percent per year by 2012.

- Eshoo (agreed, 26-10): Requires each Federal agency shall collaborate with the Director of the Office of Management and Budget to create an implementation strategy, including best practices and measurement and verification techniques, for the purchase and use of energy efficient information and communications technologies and practices.
- Stupak (agreed, 33-20): Grants FERC ‘cease and desist authority’ under the Natural Gas Act.
- Hill (agreed, voice vote): Generally changes decision-making processes at the Science Advisory Board.
- Butterfield (agreed, voice vote): Requires the creation of standards applicable to emissions of greenhouse gases for new heavy duty motor vehicles and engines.
- Braley (agreed, voice vote): Includes ethanol and biodiesel in the definition of renewable fuel for purposes relating to renewable fuel pipelines and loan guarantees for renewable fuel pipeline construction.
- Weiner (agreed, voice vote): Establishes, among other things, a grading system for products labeled “Energy Star”, and appropriates $5,000,000 for purposes related to the creation of the system.
- Buyer (agreed, voice vote): Requires that net-metering be available to the federal government.

More information and recorded webcasts from each day of mark-up are available online at http://energycommerce.house.gov

**IMMIGRATION: SENATE JUDICIARY TAKES UP IMMIGRATION REFORM; ADMINISTRATION TO EXPAND SECURE COMMUNITIES**

On Wednesday, May 20, 2009, the Senate Judiciary Committee began a series of four hearings to explore numerous aspects of U.S. immigration policy in preparation for possible comprehensive immigration reform legislation. This hearing was devoted to: "Securing the Borders and America's Points of Entry, What Remains to Be Done."

Witnesses included: John Torres, Deputy Assistant Secretary for Operations, U.S. Immigration and Customs Enforcement; David V. Aguilar, Chief, Office of Border Patrol, U.S. Customs and Border Protection; Thomas Winkowski, Assistant Commissioner, Office of Field Operations, U.S. Customs and Border Protection; and Dr. Douglas Massey, Professor of Sociology and Public Affairs, Princeton University.

The Administration witnesses detailed the efforts taken to secure the border. They noted that, in fact, arrests on the Southern border have declined, which they attribute not only to a downturn in the economy but heightened border security. Arrests by the Border Patrol fell from 486,735 from October to May 2007 to 354,959 for the same period in 2008. Border Patrol agents have increased at the border from 9,000 in 2001 to a projected 20,000 by this September. Additionally, as of May 8, 2009, fencing had been constructed along 625 miles of the 661 miles of the southwest border identified by CBP as requiring continuous protection. It was brought out by other witnesses, however, that only about 200 miles of this fencing is the newer dual fencing, the rest is single fencing and/or vehicle barriers.

Chief Aguilar also reiterated that CBP is "prepared and ready for the implementation of Western Hemisphere Travel Initiative (WHTI) secure document requirements at land and seaports on June 1, 2009" as required. As part of its crackdown on Mexican drug cartels, CBP is also scanning southbound rail cargo for the first time for weapons and currency, as well as initiating several other initiatives.

Professor Massey testified that over the 20 years between 1980 and 2000 the U.S. moved closer to Mexico economically, with total trade increasing nine times, business visitors 7.4 times, treaty investors ten times, and intracompany transferees 27 times. Ironically, however, he stated that the U.S. "wished to integrate all factor markets in North America except one, and to build a border that was impermeable to all flows except workers. This fundamental contradiction was not sustainable."

He argued that migration from Mexico has been declining since the 1990s because of the crackdown on immigration during that decade and the "militarization" of the border since 9/11. The rise in undocumented workers living in the United States, he argued, is because they are no longer returning to their home countries as they once did. "Between 1980 and 2005," he said, "the likelihood of returning to Mexico within 12 months of an undocumented entry fell by more than half. This shift in behavior occurred because our militarization of the border increased the costs of crossing it from $600 to $2,200 in constant dollars,"
while also increasing the risk of death, while having no effect on the probability of apprehension.” If return migration to Mexico had remained at it's pre-1986 IRCA levels, Massey testified, the U.S. would have had nearly 2 million fewer undocumented Mexicans settling between 1980 and 2005, and it's that reason that Mexico "dwarfs all other countries in the unauthorized population" in the U.S.

For the testimony of all the witnesses, go to: http://judiciary.senate.gov.

On a related issue, the Administration recently announced that it will expand the Department of Homeland Securities’ Secure Communities program. The program checks the immigration status of individuals who are arrested. Currently, the screening only occurs in federal and state prisons. The Administration has announced that it will expand the program to include all of the nation’s local jails as well. That is expected to increase exponentially the number of inmates screened, and the cost of the program. The President’s Budget, released earlier this month, requested $200 million for the program, a 30 percent increase over last year. Total funding by 2013 would reach $1.1 billion for the program.

Additionally, Mexican Census data released recently shows that about 226,000 fewer people emigrated from Mexico during the year that ended in August 2008 than during the previous year, a decline of 25 percent. Almost all of those emigres come to the United States. The decline is attributed to the downturn in the U.S. economy.

EDUCATION: HOUSE EDUCATION COMMITTEE HEARS TESTIMONY ON EXPANDING STUDENT AID

On Thursday, May 21, 2009, the House Education and Labor Committee, chaired by Rep. George Miller (Martinez), held a hearing on increasing student aid through loan reform. Among the proposals the committee addressed is President Obama’s FY 2010 budget proposal, which would increase the Pell Grant scholarship and other forms of student aid by almost $100 billion over ten years, at no cost to taxpayers. The President’s plan would be paid for by ending the subsidies the federal government currently pays to lenders in the federally-guaranteed student loan programs and re-directing those savings back into additional aid for low- and middle-income students.

Among the witnesses was Dr. Charles Reed, Chancellor of the California State University.

In his opening remarks, Chairman Miller noted that twenty years ago, the maximum Pell Grant award covered about half of the average instate tuition. Today it covers about 30 percent. Regarding the Obama Administration’s proposal to end lender subsidies and instead use federal funds to originate all new federal student loans beginning in 2010, Miller said the Congressional Budget Office estimates it would save $94 billion over ten years, all of which would be redirected back to students. “I think this proposal sets the bar high. It yields astonishing savings that will help students, makes the most sense for taxpayers, and harnesses private sector innovation for the public good.”

Dr. Reed testified that many of CSU’s campuses had already begun to switch over to the Direct Lending program because of prior federal law changes, the economic crisis, and greater confidence in the viability of the Direct Lending Program. Last year he began strongly encouraging the remaining campuses that still rely on the Federal Family Education Loan program to switch to Direct Lending, because of the importance of stability and reliability in a campus’s student loan program.

He commended the Committee for increasing Pell Grant aid and for allowing year-round use of the Pell Grants. And he called on the Committee to resurrect a program authorized with the original Pell Grant program in 1974 but never funded. Under that program, direct institutional grants were made to colleges and universities in order for them to provide the educational services and resources necessary for students to succeed. Known as “cost of education allowances,” the concept was based on the fact that economically disadvantaged students cost more money to educate than students from wealthier backgrounds.

For testimony of all the witnesses, go to: http://edlabor.house.gov.
TRADE: SENATE FINANCE HOLDS HEARING ON PANAMA TRADE DEAL

On Thursday, May 21, 2009, the Senate Finance Committee held a hearing on the U.S.-Panama Trade Promotion Agreement. The TPA was negotiated during the Bush Administration and the Obama Administration has yet to send it up to Congress for approval. Recently, some House and Senate members have expressed concern about implementing the agreement. A major reason cited is that Panama’s banking secrecy and tax laws have made it a major haven for companies to avoid paying U.S. taxes.

Witnesses were: The Honorable Everett Eissenstat, Assistant U.S. Trade Representative for Western Hemisphere Affairs; Mr. James Owens, Chairman and CEO, Caterpillar, Peoria, IL; Ms. Thea Lee, Policy Director, American Federation of Labor and Congress of Industrial Organizations (AFL-CIO); and Mr. Sam Carney, President-Elect of the National Pork Producers Council.

Mr. Eissenstat outlined the benefits of implementing the Agreement and noted that it complies with the provisions of the Congressional-Executive Agreement of May 2007, which laid out labor and environmental provisions, among other things, that would be included in any agreements the U.S. negotiated. Although the agreement does not contain provisions relating to Panama’s tax laws, Eissenstat argued that implementing the agreement “and the closer relationship it provides, will enable us to progress much more quickly in addressing these concerns than we could otherwise.”

During questioning Chairman Max Baucus (MT) and Ranking Member Charles Grassley (IA) both expressed concern that the Administration is delaying sending the bill up to the Hill. When questioned about this Eissenstat talked about the TPA having to be viewed in the larger context of the Administration’s domestic policy agenda, such as health care reform. Sen. Grassley argued that it was unrealistic for the Administration to delay consideration of the Panama Agreement until the health care debate has been concluded. Sen. Baucus was also concerned that with the change in Presidents expected shortly in Panama, the United States might end up with a worse agreement than the currently negotiated one.

Ms. Lee testified that the AFL-CIO would oppose the bill at this juncture. She argued that Panama’s labor and tax law reforms should occur before the bill is implemented, and that the procurement provisions in the bill would limit the United States’ ability to use preferences for U.S. manufacturers and products. She also stated that the agreement should only be considered once a “coherent” international trade strategy has been proffered by the Administration.

For more information, go to: http://finance.senate.gov.

NATURAL DISASTERS: SUBCOMMITTEE DISCUSSES THE ROLE OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM IN SUPPORTING DISASTER RECOVERY

On May 20, 2009, the Disaster Recovery Subcommittee of the Senate Homeland Security and Governmental Affairs Committee held a hearing on the role of the Community Development Block Grant Program in disaster recovery.

CDBG was developed in 1974 to aid cities and counties in the development of viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities, particularly to low and moderate income individuals. The program, which is run by the Department of Housing and Urban Development awards grants to entitlement communities to carry out localized development activities. In the event of a disaster, such as the 2007 southern California wildfires, which claimed 24 lives and damaged or destroyed more than 3,500 structures, CDBG funds can generally be redirected by states to focus on recovery efforts. Emergency needs are often funded through FEMA and state funds, but CDBG funds can be used for longer term redevelopment efforts and activities that are not usually covered by FEMA, such as extra security patrols, demolition of damaged property and clearance of debris.

According to Chair Mary Landrieu (LA) the purpose of the hearing was to assess the use of the CDBG program as a means of addressing disasters. She stated that since the early 1990's, Congress has increasingly used the program to address natural and man-made disasters; over the past four years, Congress has allocated $26 billion for disaster relief.
Witnesses included Mississippi Governor, Haley Barbour; Frederick Tombar, the Senior Advisor to the Secretary for Disaster and Recovery Programs at the US Department of Housing and Urban Development; and six others. The hearing focused on a wide range of issues and primarily on the perspectives of the Gulf Coast states – Texas, Mississippi and Louisiana, in particular, because they are three of the largest recipients of CDBG program money for disaster relief.

Specific issues discussed included: the pros and cons of encouraging community redevelopment in communities that have been destroyed by disasters, versus development and/or relocation of individuals in new or different communities; the creation of a review process for group projects to address the criticism with the current application process that does not allow entire communities or neighborhoods to access disaster relief funds without environmental impact assessments for each individual unit or property included in the application; the challenges faced by states, such as Texas, which was forced to cap home-owner recovery grants after Hurricane Rita, of ensuring adequate funding for disaster recovery; and the extent to which the Community Development Block Grant program is the appropriate way to allocate money for disaster recovery; and the extent to which the process and approach can be improved.

California’s share of CDBG funding for FY 2009 can be found at: http://www.hud.gov/offices/cpd/about/budget/budget09/index.cfm. FY 2010 allocations are not yet available. More information about the Community Development Block Grant and other HUD programs can be found at http://www.hud.gov/

Witness testimony and an archived webcast of the subcommittee hearing can be found at: http://hsgac.senate.gov

**ENERGY: SUBCOMMITTEE HOLDS CA FIELD HEARING TO DISCUSS SOLAR ENERGY DEVELOPMENT ON FEDERAL LANDS**

On May 7, 2009 the House Natural Resources Energy and Mineral Resources Subcommittee held a field hearing in Palm Desert, CA to examine the future of solar power on federal lands and the use of solar power to meet America’s future energy needs. The hearing was led by Chairman Jim Costa (Fresno).

Witnesses included: the Honorable Jim Ferguson, Councilman; Commissioner Julia Levin California Energy Commission; Commissioner Rachelle Chong California Public Utilities Commission; Mr. James Abbott Acting State Director, California State Office Bureau of Land Management; Mr. Thomas M. Kretzschmar, Senior Projects Manager U.S. Army Corps of Engineers; Mr. Steven Malnight, Vice President of Renewable Energy Pacific Gas and Electric Company; Mr. Carl Zichella, Western Renewable Projects Director, Sierra Club; Ms. Katherine Gensler, Manager of Regulatory & Legislative Affairs Solar Energy Industries Association; and Mr. Michael Niggli, Chief Operating Officer, Sempra Energy Utilities.

Issues discussed included: the potential impact that solar can have on the environment; the role that solar can play in achieving our national renewable energy goals, particularly the role that the solar and wind resources located on Bureau of Land Management (BLM) and Forest Service lands in the deserts of southern California, which are estimated to provide large amounts of solar power; the complexities surrounding the siting and permitting of solar plants and transmission lines on federal lands; and the planning processes being undertaken by the State of California to achieve consensus among various stakeholders.

California Public Utilities Commissioner Rachelle Chong stated "the permitting, financing, and building of these solar projects is a complex process that requires substantial coordination among various agencies. As the agency responsible for permitting transmission infrastructure in California, we are acutely aware of the need for concurrent development of the transmission infrastructure needed to deliver that clean energy to customers...We are encouraged, therefore, by recent announcements indicating a renewed fiscal commitment to renewable development, as expressed by the March 11th Secretarial Order from the Department of Interior establishing the development of renewable energy as a top priority. We are also pleased to see that there will be federal stimulus funds available to support streamlined environmental review in California. I applaud the Administration and Congress for their responsiveness in addressing
delays in the permitting process. We are hopeful, too, that the resources will allow for timely and efficient collaboration between BLM and CPUC staff on joint state/federal environmental review of the transmission lines critical for renewables."

More information and full witness testimony can be found at: http://resourcescommittee.house.gov/.

**ENERGY: COMMITTEE RECEIVES TESTIMONY ON STRATEGIC PETROLEUM RESERVE MODERNIZATION CARBON CAPTURE AND SEQUESTRATION PROGRAM**

On Tuesday, May 12, 2009, the Senate Energy and Natural Resources Committee received testimony on S. 967, the Strategic Petroleum Reserve Modernization Act of 2009. Witnesses included: Mr. David F. Johnson - Deputy Assistant Secretary for Petroleum Reserves, Office of Fossil Energy, U.S. Department of Energy; Dr. Frank Rusco - Director, Natural Resources and Environment, Government Accountability Office; Mr. John Shages - Former Deputy Assistant Secretary for Petroleum Reserves, U.S. Department of Energy; Mr. Kevin Book - Managing Director, ClearView Energy Partners, LLC; and Mr. Didier Houssin - Director of the Office of Oil Markets and Emergency Preparedness, International Energy Agency

S. 967 would create a refined oil product reserve containing at least 30 million barrels of gasoline, diesel fuel, and other transportation fuels as part of the nation's Strategic Petroleum Reserve. The issues raised during testimony included: the challenges and opportunities of establishing a strategic products reserve; potential costs; increased capacity to respond to global or regional disruptions in oil supply; potential protections from short-term interruptions in supply; hurricane impacts and vulnerabilities; decreasing the impact of US port capacity bottlenecks; cost of storage; policy alternatives to oil; permitting and placement; and issues of efficiency versus cost-savings. Witnesses were in support of limiting use of strategic reserves for supply interruptions only – not to offset price increases.

On Thursday, May 14, 2009, the Committee received testimony on S. 1013, the Department of Energy Carbon Capture and Sequestration Program Amendments Act of 2009. Witnesses included: Dr. Victor K. Der , Acting Assistant Secretary, Office of Fossil Energy, U.S. Department of Energy; Dr. Kit Batten , Science Advisor, Office of the Deputy Secretary, U.S. Department of the Interior; The Honorable Thomas E. Lubnau, II , State Representative from Wyoming, House District 31; Mr. John Tombari , Vice President, Schlumberger Carbon Services; Mr. Karl R. Moor , Vice President and Associate General Counsel, Southern Company; Mr. Scott Anderson, Senior Policy Adviser, Environmental Defense Fund; and Ms. Chiara Trabucchi, Principal, Industrial Economics, Inc.

S. 1013 authorizes the Department of Energy to develop and implement a program to demonstrate ten commercial-scale integrated geologic storage (CCS) projects, and creates a framework for the selection of these demonstrations. The bill addresses both long-term monitoring requirements and liability protection. Specifically, this bill:

- states that the demonstration projects should inject no less than 1 million tons of carbon dioxide from an industrial source each year;
- requires sufficient proof that the storage will be safe and permanent;
- provides liability protection and Federal indemnity for the demonstration projects
- requires compliance with existing relevant laws for environmental protection;
- requires compliance with applicable existing regulations for well construction and operation;
- requires remediation of any carbon dioxide leaks that might pose danger to human health or natural resources;
- requires long-term monitoring;
- includes provisions for siting the demonstrations on public land; and,
- establishes a training program for state regulators. The bill establishes and authorizes funding appropriations for a training program for state agencies involved in permitting, and oversight of carbon capture and storage demonstrations.

Full witness testimony and more information can be found at: http://energy.senate.gov/.