RESOURCES: HOUSE RESOURCES HOLDS

HEARING ON CALIFORNIA ON WATER

The House Natural Resources Subcommittee on Water and Power held a hearing on January 25, 2010 in southern California on "Perspectives on California Water Supply: Challenges and Opportunities." The hearing, chaired by Rep. Grace Napolitano (Norwalk), was held in Los Angeles at the offices of the Metropolitan Water District of Southern California.

Three panels testified: Panel 1: The Honorable Michael Connor, Commissioner, Bureau of Reclamation, Department of the Interior; The Honorable Anna Caballero, Assembly Member of the California State Legislature, Representing the 28th Assembly District, Sacramento; The Honorable Lester A. Snow, Director, California Department of Water Resources; Panel 2: Mr. Jeffery Kightlinger, General Manager, Metropolitan Water District of Southern California; Mr. Brian J. Brady, General Manager, Imperial Irrigation District; Ms. Maureen A. Stapleton, General Manager, San Diego County Water Authority; Mr. Dan Parks, Assistant General Manager, Coachella Valley Water District; Panel 3: Dr. Peter H. Gleick, President, Pacific Institute; Professor Jay Famiglietti, Ph.D, Department of Earth System Science, University of California at Irvine; Mr. Miguel A. Luna, Executive Director, Urban Semillas; Mr. Larry Collins, Vice President, Pacific Coast Federation of Fishermen's Associations; Mr. Joe L. Del Bosque, Owner, Empresas Del Bosque Inc.; and Ms. Lucy Dunn, President and Chief Executive Officer, Orange County Business Council.

In her opening statement, Chairwoman Napolitano noted the challenges dealing with California’s water supply in the face of the state’s increasing population, aging infrastructure, water supply restrictions, water quality concerns, and environmental concerns. She called the hearing in southern California to hear from its citizens, who are affected both by the limited imports from the Colorado River Basin and from northern California.

The first panel of witnesses discussed the federal and state approach to the current California water situation. This included a discussion of California’s state water plan, and the state water
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Legislation passed in November 2009. Also, the Department of the Interior discussed the Federal Water–Delta Water plan, the impacts of the recent QSA decision on Colorado River water supply, and the role of water reclamation and reuse to supplies in Southern California.

The second panel focused on the issues associated with water delivery to southern California. This included testimony about the impacts associated with water delivery reductions from the two primary water supply sources of southern California, imports from northern California and water supplied from the Colorado River system, and the impacts associated with recent state court decisions and the constraints this puts on supplying water to the southland.

The last panel addressed the science and information needed to help Federal, State and local water managers make better decisions, as well as help to identify specific local and regional impacts to urban water users, fishermen and farmers.

Among the many issues witnesses raised was the need for Southern California communities to rely less on imported supplies and turn to conservation, recycling, desalination and water transfers to stretch supplies while long-term solutions are being developed.

For the testimony of the witnesses, go to: [http://resourcescommittee.house.gov](http://resourcescommittee.house.gov).

**Science/R&D: Science and Technology Committee Explores Progress of Advanced Energy Research Projects**

The House Committee on Science and Technology held a hearing on Advanced Research Projects for Energy (ARPA-E) on Thursday, January 28, 2010.

ARPA-E was first authorized in the "America COMPETES Act" based on recommendations from a 2005 National Academies report, *Rising Above the Gathering Storm*. Recommendations in the report included increasing technological competitiveness and creating a new government agency within DOE, fashioned after the Defense Advanced Research Projects Agency (DARPA), to pursue "high-risk, high-reward energy technology developments".

The first funding of ARPA-E was at $15 million in the Fiscal Year 2009 Omnibus Appropriations Act to start-up the agency. An additional $400 million was allocated through the American Recovery and Reinvestment Act to make the agency fully functional. ARPA-E is expected to be reauthorized in the coming months.

Dr. Arun Majumdar, Director of ARPA-E stated that the "U.S. faces three Sputnik-like challenges in the energy and climate area: (a) energy security; (b) U.S. technological lead; and © greenhouse gas emissions and climate change;" and urged Congress to ensure that the "next 20 years be the most innovative period in our Nation's history."

ARPA-E currently supports 37 projects with between $500,000 and $9,000,000 in funding. Forty-five percent of funding is received by small businesses; 35% by educational institutions; and 20%
by large industry. On December 7, 2009, Secretary Chu announced a second round of funding opportunities, with an additional $100 million in Recovery Act funding, focused on three topics - (1) electrofuels: new ways to make transportation fuels without petroleum or biomass, (2) innovative materials & processes for Advanced Carbon Capture Technologies (IMPACCT); and (3) Batteries for Electrical Energy Storage in Transportation (BEEST).

Dr. Charles Vest, President of the National Academy of Engineering, stated that "looking forward, it is essential that ARPA-E remain faithful to the original goals of pursuing high-risk, high-payoff opportunities" and that it make quick decisions regarding starting and ending research projects so that it won't become another R&D agency. Witnesses highlighted recent challenges for ARPA-E, including its coordination with DOE's efforts such as Energy Frontier Research Centers and Energy Innovation Hubs.

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

**ENERGY: SUBCOMMITTEE JOINT HEARING ON SOLAR ENERGY TECHNOLOGY AND JOBS**

On January 28, 2010, the Green Jobs and the New Economy Subcommittee and the full Senate Environment and Public Works Committee held a hearing on solar energy technology and clean energy jobs. Witnesses included: Ken Salazar, Secretary of Interior; Robert Rogan, Senior Vice President for the Americas, eSolar; Andrew P. Morris, Professor of Law and Business, University of Illinois, and Senior Fellow, Institute for Energy Research (IER); Rob Gillette, CEO, First Solar; and Jeff Wolfe, CEO, groSolar. The hearing specifically addressed deployment of solar technology on public lands and the Department of the Interior’s role in building a new energy future; the role and types of solar technologies being deployed throughout the US; and the importance of providing incentives to support the development and deployment of new technologies.

Secretary Salazar highlighted California’s commitment to supporting renewable energy development in Department-managed lands. “California Governor Schwarzenegger and I announced last fall a Memorandum of Understanding between the State and the Department that will expedite the process of siting, reviewing, approving and permitting renewable energy projects on Department-managed lands in California,” said Salazar.

Other witnesses, including Robert Rogan, President of California-based eSolar, highlighted a range of issues and suggestions including:

- the importance of passing a national Renewable Portfolio Standard;
- the role of transmission in facilitating renewable development;
- the reassessment of the rules governing transmission siting and interconnection;
- the Department of Energy loan guarantee program as a tool for supporting industry growth by reducing financing costs and fostering the development of robust private capital markets to finance large solar projects;
- the creation of a joint Federal/State incentive program that would promote the development of solar markets in geographies that have strong solar resources; and,
- the reauthorization of the of the Treasury Grant Program that vastly expanded the pool of investors who were attracted to the stable, long-term return on investment of utility-scale solar power.

More information and witness testimony can be accessed at: http://epw.senate.gov/public

**SOCIAL SERVICES & WELFARE: SUBCOMMITTEE HOLDS CALIFORNIA HEARING ON FEDERAL NUTRITION PROGRAMS**

The House Agriculture Subcommittee on Department Operations, Oversight, Nutrition and Forestry held a field hearing in Colton, CA on January 25, 2010 at Arrowhead Regional Medical
Center. Colton’s Representative Joe Baca (Rialto) chaired the hearing, which was held to review federal nutrition programs.

Members and witnesses at the hearing talked about participation rates in federal nutrition programs and the role of those programs in combating obesity.

California state administrators, doctors, academics and public health reps gave testimony about fraud in the food stamp program, Supplemental Nutrition Assistance Program (SNAP). Only 48% of eligible Californian's use food stamps compared to the national average of 66%. Witnesses indicated that California's fingerprinting requirement could be one barrier to participation. Only Arizona, Texas, and New York City also require fingerprints.

Witnesses included: Lisa Pino, Deputy Administrator for Food and Nutrition Service, U.S. Department of Agriculture; Christine Webb-Curtis, Chief, Food Stamp Branch, California Department of Social Services; Nancy Swanson, Director, Human Services Transitional Assistance Department, San Bernardino; and others.

More information can be found at: http://agriculture.house.gov/.

REPORTS: CALIFORNIA ENERGY COMMISSION NOT PREPARED TO AWARD AND MONITOR RECOVERY ACT FUNDS

A report was released by the California Bureau of State Audits in December 2009 that assessed the preparedness of the California Energy Resources Conservation and Development Commission (Energy Commission) to receive and administer federal American Recovery and Reinvestment Act funds awarded by the U.S. Department of Energy for its State Energy Program (Energy Program). The report concluded that the Energy Commission was unprepared to award and monitor Recovery Act funds and lacks controls to prevent their misuse.

The report found that as of November 16, 2009, the Energy Commission had entered into contracts totaling only $40 million despite having had access to $113 million of the $226 million in Recovery Act funds awarded for the Energy Program. Although these funds have been available to the Energy Commission since July 2009, the report found that the Commission has been slow in developing guidelines, issuing requests for proposals (RFPs), and implementing the internal controls needed to administer the Energy Program. As a result, few Recovery Act dollars have been spent. The remaining $113 million in funds were available to the Energy Commission only through January 1, 2010.

According to the Energy Commission's administrator for the Economic Recovery Program, several factors contributed to the delay in infusing the Energy Program's Recovery Act funds into California's economy. He stated that seven of the eight subprograms being funded by ARRA grants or contracts to state departments and agencies were new, and therefore it was necessary to develop program guidelines for subrecipients to follow when providing services under the new subprograms. In addition, he indicated that the Energy Commission had to wait until a law was signed on July 28, 2009, giving it the statutory authority to develop and adopt the guidelines.


TRANSPORTATION: CALIFORNIA LEGISLATIVE ANALYST ASSESSES USE OF FEDERAL STIMULUS FUNDS FOR TRANSPORTATION

The American Recovery and Reinvestment Act (ARRA) provided California with about $3.7 billion in one-time funding for transportation programs. The resources were directed towards "shovel-ready" projects that could begin construction quickly. The federal act also provided funds for various transportation purposes on a discretionary, competitive basis.

In November 2009, the California Legislative Analyst released a review of the progress of the California Department of Transportation (Caltrans), local road agencies, and transit operators in their
use of ARRA funds in the months since the enactment of the federal stimulus programs and found the following:
- Caltrans has made good progress in the use of almost $1 billion made available to the department, already putting out to bid contracts for 92 percent of the funds.
- Local road agencies have been slower to use their obligated ARRA transportation funds, with contracts for only one-third of their funds out to bid.
- The progress of transit system operators is unclear because of the lack of complete information.
- The state is competing for discretionary grants, but the amount the state will ultimately receive is not yet fully known.
- Complete information on the job creation impact of ARRA’s transportation programs is not yet available.

Recommendations include urging the state Legislature to hold oversight hearings on the use of ARRA transportation funds to determine if any actions are necessary to ensure that California meets various ARRA deadlines.

More information can be found at: [http://www.lao.ca.gov](http://www.lao.ca.gov).

**TRANSPORTATION: ARRA FUNDING AWARDED TO CA HIGH-SPEED RAIL**

The Obama Administration announced on January 28, 2010 that it was awarding $2.25 billion in stimulus money under the American Recovery and Reinvestment Act to California’s high-speed rail project. The grant will be formally announced today by President Obama, Vice President Joe Biden and U.S. Transportation Secretary Ray LaHood as part of the roll out of the $8 billion in high-speed rail funds included in ARRA. About 30 other states will also receive funding, but early reports indicate that California is receiving about twice as much money as any other project.

The funding will be used for planning and design work, as well as construction along four routes – San Francisco to San Jose, Los Angeles to Anaheim, Fresno to Bakersfield and Merced to Fresno. The federal award will also allow the California High-Speed Rail Authority to match the funding with money approved under Proposition 1A, bringing the total available for planning and construction to about $4.5 billion. The entire project is expected to cost $42.6 billion.

The Authority estimates that the funding will create more than 600,000 new construction-related jobs to build the system, and result in an additional 450,000 permanent jobs statewide once the system is fully built.

Additional ARRA grants were also announced in the following amounts:
- $23 million for construction of four new tracks at the San Jose Diridon Station and for a universal crossover for Capitol Corridor trains from Davis to Sacramento;
- $51 million for a southern California rail line to accommodate bullet trains; and
- $20 million for rail safety improvements throughout the state.


**DEMOGRAPHICS: WEBSITE SHOWS POTENTIALLY HARD TO COUNT CENSUS AREAS**

The Center for Urban Research of the City University of New York has developed a mapping application designed to show areas that are expected to be hard to count in the 2010 census. The website provides information from the state level down to the address level.

For California, it is estimated that a little over 10 million people -- or about 29.78 percent of the total state population -- will be hard to count. Of that number, 27.29 percent will be people living in poverty and 43.38 percent will be adults age 25 or older with no highschool degree. People of Hispanic ethnicity will account for 54.85 percent of the hard to counts, with whites accounting for 42.12 percent.
In Los Angeles County, approximately 4.3 million people (45.57 percent of the total county population) are estimated to live in hard to count tracts. Of those, about 28 percent are people living in poverty, and a little over 47 percent are adults age 25 or older without a highschool degree.

In the Sacramento/Arden-Arcade/Roseville region, by contrast, only 22.81 percent of the population is estimated to live in hard to count areas. Again, however, large concentrations of the hard to count will be those living in poverty (26.5 percent) and/or over 25 without a highschool degree (29.58 percent).

The website can be found at: http://www.censushardtocountmaps.org.