IMMIGRATION: SENATE HOMELAND SECURITY

ASSESSES “VIRTUAL FENCE”


Commissioner Bersin focused on CBP’s outbound enforcement, stating that FY 2009 data showed a significant increase in drug seizures, coupled with a decline in border apprehensions. CBP seized more than 4.47 million pounds of drugs, encountered more than 224,000 inadmissible aliens at our ports of entry, and apprehended more than 556,000 between our ports of entry, Bersin said. Outbound currency seizures nationwide also increased 74 percent, surpassing $57.9 million, and CBP’s Office of Field Operations seized nearly 1.5 million pounds of drugs at ports of entry – an increase of 53 percent for cocaine, 19 percent for marijuana and 11 percent for ephedrine. Additionally, the number of apprehensions between the ports of entry has declined by more than 23 percent, or more than 167,000 apprehensions, Bersin stated.

In his questioning, Chairman Joseph Lieberman (CT) focused on the virtual fence. He strongly urged CBP to look at ways to end the contract with Boeing to complete the fence. Thus far, the SBINet program has cost $770 million, and testing of the fence along the first 23 miles has not taken place yet. The project consists of cameras, sensors, unmanned aerial vehicles and other surveillance equipment aimed at identifying illegal crossers along the 2,000 mile border. The project has met with continuous problems and DHS is currently reevaluating it and has reallocated some of its funding to other security areas.
Lieberman stated: "By any measurement, SBInet has been a failure - a classic example of a program that was grossly oversold and badly underdelivered. We're counting on you [CBP] to take direct action to either terminate the contract or take from it what will work."

Testimony of all the witnesses can be found at: http://www.hsgac.senate.gov.

HEALTH: SENATE HELP DISCUSSES FEINSTEIN'S HEALTH-RATE REFORM PROPOSAL

On Tuesday, April 20 2010, the Senate Committee on Health Education Labor and Pensions held a hearing on “Protection from Unjustified Premiums.” Witnesses included the Senator Dianne Feinstein, and others. The focus of the hearing was the impact of health reform on premiums, on current market conditions, and ensuring that premium increases are justified.

Senator Feinstein discussed legislation she proposed in response to rising health care rates, including increases that Anthem/Blue Cross of California is seeking to impose on 800,000 Californians. Anthem’s rates will go up, on average, 25 percent and as much as 39 percent for some consumers.

Feinstein’s legislation would give the Secretary of Health and Human Services the authority to block premium or other rate increases that are unreasonable. Under this proposal, the Secretary would work with the National Association of Insurance Commissioners to implement the rate review process, and identify states that have the authority and capability to review rates. The legislation would not apply to States with their own efforts underway.

Because of procedural rules, Feinstein's proposal was not included in the recently enacted health reform act.

More information can be found at: http://help.senate.gov.

AGRICULTURE: HOUSE COMMITTEE KICKS OFF 2012 FARM BILL DISCUSSIONS

On April 21, 2010, the House Agriculture Committee held a hearing on agriculture policy in advance of the 2012 farm bill. The Committee heard testimony from the Honorable Tom Vilsack, Secretary of the U.S. Department of Agriculture.

The Farm Bill authorizes many government farm support, conservation, energy, trade, marketing, food assistance, and rural development programs over several years. Many provisions of the current farm bill, the Food, Conservation and Energy Act of 2008, will expire in September 2012.

Secretary Vilsack highlighted the challenges facing rural America. In the past 40 years, the United States has lost more than 1 million farmers and ranchers, and the per capita income in rural America is approximately $11,000 below the urban and suburban workforce. Secretary Vilsack also indicated that with the lack of viable employment opportunities, secure healthcare, modern infrastructure, and the growth of new industries, rural areas have lost and continue to lose young people to suburban and urban areas.

In his testimony, Secretary Vilsack indicated that the Administration's solutions to these challenges, and an important area of focus for the 2012 Farm Bill, would be the Regional Innovation Initiative. The Regional Innovation Initiative is a regional and collaborative approach that focuses on "5 pillars" promoted by the Administration and identified through USDA efforts to assist rural America. These areas of focus...
will include: Broadband; Renewable Energy and Bio-Fuels; Regional Food Systems and Supply Chains; Forest Restoration and Private Land Conservation; and Ecosystem Market Incentives.

"This hearing is the first step in the process of writing the next Farm Bill. A bill this large and that covers so many important issues takes a lot of time and effort to get it right, and I am committed to a process that is open, transparent, and bipartisan," said Chairman Peterson. "I look forward to…putting together a bill that supports the food, fiber, conservation, energy and rural development needs of this country."

Written testimony is available on the Committee website:

JUSTICE: COMMITTEE DISCUSSES REAUTHORIZATION OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT

On April 21, 2010, the House Education and Labor Committee (Chairman George Miller, Martinez) held a hearing titled "Reforming the Juvenile Justice System to Improve Children's Lives and Public Safety," The hearing focused on the state of the juvenile justice system in preparation for the reauthorization of the Juvenile Justice and Delinquency Prevention Act. The Juvenile Justice and Delinquency Prevention Act was first written in 1974 with the goal of supporting states' actions to prevent youth crime and provide certain core protections for children. The Committee and witnesses discussed how the current system is working, and what more can be done to provide youth, families, and communities with the supports they need to avoid criminal behavior and make communities safer places to live.

Witnesses and the Committee also discussed effective reform efforts that redirect youth from criminal and delinquent behavior, provide appropriate treatment and services, efforts to stop locking up status offenders, and the growing trend of children being held in adult jails despite the conclusion of the Centers for Disease Control that this has a negative impact on public safety.

While the number of juvenile arrests decreased by 16 percent between 1999 and 2008, the hearing focused on trends and data that indicate that children end up in detention despite the fact that such policies can actually decrease public safety, that minority youth are disproportionately involved with the juvenile justice system and too few states are actively working to change this, despite the requirements in the law, and that conditions of confinement interfere with rehabilitation and can increase recidivism.

Additionally, every year, 200,000 youth in this country are held, sentenced or incarcerated as adults. According to studies funded by the Department of Justice, children in adult jails are eight times more likely to commit suicide than in juvenile facilities. They are also 50 percent more likely to be attacked with a weapon and much more likely to be raped, and they also don't have access to real education or rehabilitative services.

"We know that when there is a focused effort, early in a child's life to prevent him or her from breaking the law, the juvenile crime rate goes down," stated Chairman Miller. "We also know that when given the right kind of treatment, most of these children can turn their lives around so it is in the best interest of our nation that we provide that opportunity." The Chairman urged the Committee to keep focused on reforms that will help reduce youth crime through effective and appropriate prevention and intervention, keep our communities safe and ensure our juvenile justice system preserves basic rights for the children it serves.

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

EDUCATION: ELEMENTARY AND SECONDARY EDUCATION ACT REAUTHORIZATION HEARING HELD

On April 22, 2010, the Senate Health, Education, Labor and Pensions Committee (Chairman Harkin, D-Iowa) held a hearing on the reauthorization of the Elementary and Secondary Education Act. The hearing was part of an ongoing series of hearings on the topic of the ESEA reauthorization. More hearings on the ESEA will be held on April 28, 2010, April 29, 2010, and May 4, 2010.

The witnesses, who represented organizations and programs aimed at supporting and promoting the development of well-rounded students, indicated that students learn best when their academic, emotional,
physical and social needs are all met. Their comments and testimony focused on the importance of and methods for achieving this goal.

"Twenty-first century jobs require that our students graduate with not only a strong foundation in reading, writing, math and other core subjects, but also the ability to think critically, communicate effectively and solve complex problems," stated Chairman Harkin. "More importantly, our civic strength rests on educating our children to appreciate the rich world around them."

More information can be found at: [http://help senate.gov/hearings/hearing](http://help.senate.gov/hearings/hearing).

**EDUCATION: SUBCOMMITTEE CONSIDERS BILL ON DISCHARGEABILITY OF EDUCATION DEBS**

On April 22, 2010, the Commercial and Administrative Law Subcommittee (Chairman Cohen, TN) of the House Judiciary Committee held a hearing to examine the bill, the Private Student Loan Bankruptcy Fairness Act of 2010 (H.R. 5043), which was introduced last week by Reps. Steve Cohen (TN) and Danny Davis (IL). Sens. Dick Durbin (IL), Sheldon Whitehouse (RI), and Al Franken (MN) have introduced a companion bill in the Senate.

H.R. 5043 would amend Title 11 of the United States Code to modify the dischargeability of debts for certain educational payments and loans. If passed, the bill would allow Americans to discharge their private student loans in bankruptcy, the same way they can discharge other types of private debt.

Bankruptcy legislation enacted in 2005 included a provision benefitting for-profit lenders by severely limiting Americans in bankruptcy from discharging the private college loans they borrow. Unlike federal student loans, which have a cap on interest rates and can have flexible repayment options for borrowers, including an Income Based Repayment program, private student loans have no interest rate cap and no cap on the total amount a student can borrow. Due to this 2005 change, bankruptcy law now treats private student loan borrowers the same as individuals trying to escape child support payments, alimony, overdue taxes and criminal fines.

Witnesses, who included Californian Valisha Cooks, were generally supportive of the proposed legislation. John Hupalo, Managing Director at Ramirez Capital Advisors, a group specializing in student loan finance at Samuel A. Ramirez and Co., raised concerns that the legislation may result in increases to the cost of all private student loans, reduce access for some borrowers and increase the risk of unintended consequences for those who successfully discharge their loans.

H.R. 5043 is supported by a broad coalition of student groups, consumer advocates and higher education organizations, including Consumers Union, Consumer Federation of America, The Institute for College Access and Success and the National Association of Student Financial Aid Administrators.

More information can be found at: [http://judiciary house.gov](http://judiciary.house.gov).

**SOCIAL SERVICES: WITNESSES URGE COMMITTEE TO CHANGE TANF LIMITS ON EDUCATION**

On April 22, 2010 the Income Security and Family Support Subcommittee (Chairman McDermott, WA) of the House Ways and Means Committee hold a hearing on the role of education and training in the Temporary Assistance to Needy Families program. The hearing examined the role of education and training in helping TANF recipients successfully move to self-sufficiency. Witnesses, who included the Honorable Gwen Moore (WI) and others representing TANF recipients and non-profit and research organizations, urged the Committee to change the TANF program's education requirements and limitations. A full witness list and witness testimony is available on the Committee website.

According to the Committee, considerable evidence points to the benefits education and training provide in helping individuals gain employment and increase their wage levels. For example, Census data indicates that an adult aged 25 to 34 with a two-year associates degree is nearly 50 percent more likely to be employed and one-fourth as likely to live in poverty as an adult without a high school degree.
Additionally, studies have found over 40 percent of TANF recipients lack even a high school diploma. According to the most recent data, less than 8 percent of TANF recipients who are considered eligible for work-related activities are engaged in some form of education or training.

The TANF program limits counting vocational education towards core participation requirements in two ways. First, no more than one year of such activities may count for any individual during their lifetime. And second, a maximum of 30 percent of those considered meeting the requirements in any State may be considered participating by virtue of vocational education, or by secondary education in the case of teen parents.

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

RESOURCES: OCEAN ACIDIFICATION HAS IMPACTS ON ECONOMY, PLANET AND COMMUNITIES

On April 22, 2010, the Oceans, Atmosphere, Fisheries, and Coast Guard Subcommittee (Chairman Cantwell, WA) of the Senate Commerce, Science and Transportation Committee held a hearing on the environmental and economic impacts of ocean acidification. Witnesses included: Sigourney Weaver, Actress; James Barry, Senior Scientist, Monterey Bay Aquarium Research Institute; Donny Waters, Commercial Fisherman and Former President, Gulf of Mexico Reef Fish Shareholders Alliance; Tom Ingram, Executive Director, Diving Equipment and Marketing Association; and John Everett, President, Ocean Associates Inc.

According to the Committee, the oceans are the largest natural carbon sink on the planet, they absorb one third of the carbon in our atmosphere. As carbon dioxide increases in our atmosphere, it also increases in our ocean. This process is changing the basic chemistry of the oceans, making the seas more acidic. This process is expected to have ramifications that ripple through ecosystems, communities, and maritime industries.

Monterey Bay Aquarium Senior Scientist James Barry, provided perspectives based on his studies and others concerning the potential effects of ocean acidification on the biology of marine organisms and how these effects are expected to scale up to ecosystem services important to society. He also provided an overview of the key points and recommendations from the NRC Ocean Acidification Committee's report on Ocean Acidification: A National Strategy to Meet the Challenges of a Changing Ocean.

Last year, President Obama signed the Federal Ocean Acidification Research and Monitoring Act into law. The Act charged the Federal government with developing a strategic research plan on ocean acidification and establishing an ocean acidification program within the National Oceanic and Atmospheric Administration. The program will conduct research and long-term monitoring on ocean acidification to develop mitigation and adaptation strategies and techniques for conserving marine ecosystems.

"Knowledge is power, and in this case, it is also money," stated Chairman Cantwell. "We need greater investment in ocean acidification research, monitoring, and technology development. That foundation is essential to understanding how our oceans' changing chemistry is affecting our marine resources, coastal communities, and the people who make their livings from the ocean in industries like commercial fishing and tourism."

More information can be found at: http://commerce.senate.gov.

EDUCATION: HOUSE PASSES BILL TO ENCOURAGE SAVING FOR COLLEGE

On Tuesday, April 20, 2010, the House passed H.R. 4178, a bill that gives federal guarantees for cash deposits to encourage contributions to college savings accounts. The legislation, which passed by voice vote, adds a new option for contributing to tax-free higher education savings accounts, known as Section 529 plans.

The bill would allow the Federal Deposit Insurance Corporation (FDIC) to insure up to $250,000 in deposit-based college savings accounts. Under current law, the majority of 529 plans are securities-based savings plans, with assets typically held in bonds and stocks, and are not insured by the FDIC. Like asset-based accounts, cash contributions to deposit-based savings plans would be tax exempt.
Administered by the states, 529 plans totaled $117 billion at the end of 2009. Six states offer deposit-based 529 plans, and 47 percent of account holders switched 529 plans from securities to FDIC-insured deposit accounts in 2009. For more information, visit: http://www.house.gov/.

ENTERTAINMENT INDUSTRY: WITNESSES, COMMITTEE DEBATE MOVIE FUTURES

On April 22, 2010, the Subcommittee on General Farm Commodities and Risk Management of the House Committee on Agriculture, held a hearing to discuss proposals to establish exchanges trading "movie futures." Witnesses included: Mr. Dan Berkovitz, General Counsel, Commodity Futures Trading Commission, Washington, D.C.; Mr. Richard Jaycobs, President, Cantor Futures Exchange, L.P., New York, New York; Mr. Robert Swagger, Chief Executive Officer, Media Derivatives, Inc., Scottsdale, Arizona; Mr. Robert Pisano, President and Chief Operating Officer/Interim Chief Executive Officer, Motion Picture Association of America, Inc., Washington, D.C.; Mr. Scott Harbinson, International Representative, International Alliance of Theatrical Stage Employees, on behalf of IATSE and Directors Guild of America, Ellicott City, Maryland; and Mr. Schuyler M. Moore, Partner, Stroock & Stroock & Lavan LLP, Los Angeles, California. Witnesses provided testimony in favor of and in opposition to controversial proposals to establish exchanges trading of movie futures.

The Commodity Futures Trading Commission (CTFC) provided an overview of the standards and procedures that approved exchanges (Designated Contract Markets) must follow in order to trade new futures contracts, and the CTFC's recent activities with respect to applications recently approved for DCMs that intend to trade futures contracts whose settlement prices are based on the level of box office receipts from movie theaters. Generally, in order to be approved to trade new futures contracts, an exchange applicant has to demonstrate that it has the rules, systems and structures necessary to ensure market and financial integrity of contracts to be traded on the exchange.

Recently the CTFC approved contract market designation for two applicants (MDEX and Cantor) that want to list box office receipts contracts. Both applicants have received DCM designation, but the proposed contracts are still under active consideration. Hollywood Executives and the MPAA are opposed to the proposed trading of film futures contracts, citing concerns that film futures and options trading may expose the studios to adverse speculation.

Senator Blanche Lincoln (AR), Chairwoman of the Senate Committee on Agriculture, Nutrition & Forestry, which has jurisdiction over futures markets, has proposed new financial reform legislation -- the Wall Street Transparency and Accountability Act of 2010 -- which, among other things, amends the term "commodity" to specifically exclude motion picture box office receipt and related contracts. More information can be found at: http://agriculture.house.gov.

REPORT: PEEW HISPANIC CENTER RELEASES UPDATED DEMOGRAPHIC PROFILES OF U.S. HISPANICS

The Pew Hispanic Center, a project of the Pew Research Center, released updated demographic profiles of the 10 largest Hispanic populations in the United States by country of origin: Mexican, Puerto Rican, Cuban, Salvadoran, Dominican, Guatemalan, Colombian, Honduran, Ecuadorian and Peruvian. Each statistical profile describes the demographic, employment and income characteristics of a Hispanic country-of-origin population residing in the 50 U.S. states and the District of Columbia. The characteristics of an origin group are also compared with all Hispanics and the U.S. population overall. The profiles use data from the 2008 American Community Survey.

According to the profiles, nearly two-thirds of Hispanics in the United States self-identify as being of Mexican origin. Nine of the other ten largest Hispanic origin groups -- Puerto Rican, Cuban, Salvadoran, Dominican, Guatemalan, Colombian, Honduran, Ecuadorian and Peruvian -- account for about a quarter of the U.S. Hispanic population. There are differences across these ten population groups in the share of each that is foreign born, citizen (by birth or naturalization), and proficient in English. They are also of varying age, tend to live in different areas within the U.S, and have varying levels of education, homeownership
rates, income, and poverty rates. The profiles indicate that nearly four-in-ten Mexicans (36.7%) live in California; four-in-ten Salvadorans (37.5%) live in California; one-in-eight Hondurans (12.9%) live in California; and one-in-six Peruvians (16.8%) live in California.