APPROPRIATIONS: HOUSE SUBCOMMITTEE REPORTS COMMERCE, JUSTICE, SCIENCE

The House Appropriations Commerce, Justice, Science Subcommittee reported its FY 2011 appropriations for the Departments of Commerce and Justice, and for science programs on June 29, 2010 by voice vote. The bill provides $60.5 billion in discretionary funding with $8.9 billion going to the Commerce Department, $30 billion to the Justice Department and $26.4 billion for science programs. The bill total is slightly below the President’s FY11 request and roughly $3.9 billion below FY10 funding, part of which represents a significant reduction due to the winding down of the 2010 Census.

Within the Justice Department funding, the bill provides $330 million for the State Criminal Alien Assistance Program (SCAAP), the same amount as appropriated in FY2010. For state and local law enforcement activities, the bill provides a total of almost $4 billion, an increase of $250 million above the 2010 level. Within that total, the bill provides $729 million for programs administered by the COPS office, compared to the nearly $792 million appropriated in FY10, and the President’s request of $690 million. Office of Justice Programs are funded at about $2.7 billion compared to the FY10 funding of about $2.3 billion, and the President’s request of roughly $2 billion.

For science programs, the bill provides $7.4 billion for the National Science Foundation and $19 billion for NASA, both equal to the President’s request. The subcommittee opted to withhold $4.2 billion in funding for NASA’s Human Space Exploration program, preferring to wait until a NASA authorization bill is enacted which sets out the direction of the program.

According to Subcommittee documents, the bill provides sufficient resources to continue the doubling path for NSF and NIST authorized in the COMPETES Act. Within overall science funding, the bill provides a total of $1.5 billion to support science, technology, engineering and math – or STEM – education, from kindergarten through graduate school. For activities related to climate change, the bill provides $2.6 billion, equal to the Administration’s request and $500 million above last year’s appropriation. NOAA is funded at $5.5 billion.
In the Department of Commerce funding, $882.9 million is provided for the National Institute of Standards and Technology, including a seven percent increase for science and technology research and services. Within that amount, the bill provides $130 million for the Manufacturing Extension Partnerships and $79 million for the high-risk, high-reward research of the Technology Improvement Program. The bill also provides $5.5 billion for the National Oceanic and Atmospheric Administration.

Further information on the subcommittee’s bill, including earmarks, can be found at: http://appropriations.house.gov. The California Institute will prepare an analysis of the bill and its California implications when more detailed documentation is available from the Appropriations Committee.

**APPROPRIATIONS: HOMELAND SECURITY SUBCOMMITTEE REPORTS FY11 APPROPRIATIONS**

The House Appropriations Subcommittee on Homeland Security reported its FY 2011 appropriations bill on June 24, 2010. The bill provides $43.89 billion in discretionary funding, which is $1.1 billion above the fiscal year 2010 appropriations and about $300 million over the President’s request.

For preparedness programs and disaster relief, the bill provides over $7.5 billion for the Federal Emergency Management Agency, compared to the $7.1 billion appropriated in FY10 and the Administration’s request of about $7.3 billion.

State and local preparedness programs are funded at about $3 billion, roughly the same as last year’s appropriation and about $1 billion below the President’s request. Within that funding, the State Homeland Security Grant Program is provided about $950,000, the same as last year’s appropriation but a bit below the President’s request. The Urban Area Security Initiative, which directs security funding to areas most at risk, is funded at $907 million, versus the $887 million it received last fiscal year. Firefighter Assistance grants are funded at $840 million, as compared to FY10 funding of $810 million.

For border, immigration, and trade security, the bill provides funding for 20,370 Border Patrol agents, of whom more than 17,000 are based along the Southwest Border – an increase of more than 50 percent since 2006. An additional $45 million is also provided for an additional 389 CBP Officers and mission support staff. The Subcommittee also includes $470 million for Border Security Fencing, Infrastructure, and Tech (BSFIT) programs, including SBInet. This is substantially less than the $800 million enacted last year, because funding for SBInet is reduced to reflect that DHS has suspended any new investments in the program pending review.

The bill also provides $14 million above the amount provided in fiscal year 2010 for Immigration and Custom Enforcement programs that support the Southwest Border Initiative. These funds will expand ICE’s efforts to target the cartels, such as the Border Enforcement Security Task Force initiative; Southwest border intelligence analysis; and criminal gang, drug, weapons smuggling and human trafficking investigations. To prioritize DHS immigration efforts, the bill mandates that $2.1 billion of the $5.6 billion ICE budget be used to identify dangerous criminal aliens and prioritize the removal of these individuals once an immigration judge orders them deported. ICE projects this and prior-year investments will result in 80
percent of ICE detention capacity being dedicated to criminals awaiting removal from the country in 2011. Additionally, the bill funds the US-VISIT program at $346.5 million, somewhat lower than the $373.7 enacted last year.

The Citizenship and Immigration Services budget gets a boost from last year’s $224 million appropriation up to over $380 million, although it falls slightly below the President’s request of $385 million.

Further information on the subcommittee’s bill, including earmarks, can be found at: http://appropriations.house.gov. The California Institute will prepare an analysis of the bill and its California implications when more detailed documentation is available from the Appropriations Committee.

**Appropriations: House Appropriations Marks Up Agriculture, Rural Development and FDA FY 2011 Bill**

On June 30, 2010, the House Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Subcommittee marked up the subcommittee’s fiscal year 2011 bill. The Chairman’s Mark includes $23 billion in total discretionary spending – $204 million below the FY2010 enacted level and $27 million below the President’s request. USDA is funded at $20.2618 billion – which is $81.7 million less than the administration’s request. The Food and Drug Administration is funded at $2.571 billion – $55 million above the budget request. The Commodities Future Trading Commission is funded at $261 million – meeting the budget request.

The bill includes a proposed fee increase from 2 percent to 3.5 percent in the 502-guaranteed home loan program. Among the budget cuts in the bill are the following:

- $27 million from USDA buildings and facilities and $13 million from the USDA APHIS Avian Influenza Program as compared to FY 2010.
- $15 million from the FNS SNAP employment & training program
- $476 million from the administration’s request from WIC

Programs and services that were funded include:

- SNAP is funded at over $68 billion with a $5 billion reserve. This is just over the administration’s request, and a 17% or nearly $10 billion increase above 2010.
- WIC is funded at $7.1 billion (2% below last year), including infrastructure, evaluation, and actual distribution.
- Child nutrition programs, including the National School Lunch program receive $19 billion, on par with the administration’s request. This includes a reserve fund of $1 billion to support the pending reauthorization of child nutrition programs.

- Fully funds the President’s request at $1 billion for the Food Safety Inspection Service
- $15 million increase over the request for the office of generic drugs
- A $3 million increase for the review of direct consumer ads
- $2 million for the review of communications to medical professionals in the Division of Drug Marketing and Communication
- A $16 million increase over the request for the center and field activities in the Center for Food Safety and Applied nutrition related to imported food safety.

Further information on the subcommittee’s bill, including earmarks, can be found at: http://appropriations.house.gov. The California Institute will prepare an analysis of the bill and its California implications when more detailed documentation is available from the Appropriations Committee.

**Appropriations: FY 2011 Transportation-HUD Appropriations Subcommittee Markup Held**

On July 1, 2010, the Transportation, Housing and Urban Development, and Related Agencies Subcommittee of House Appropriations Committee marked up the fiscal 2011 Transportation-HUD appropriations bill.
The bill provides $67.4 billion in discretionary funding, a decrease of $500 million below the FY10 enacted level and more than $1.3 billion below the President’s request. With regard to housing programs, the bill maintains funding levels for HUD’s affordable housing programs. Examples of existing programs supported in the bill include:
- $825 million for Housing for the Elderly and $300 million for Housing for Persons with Disabilities, restoring cuts proposed in the budget request of $551 million and $210 million, respectively.
- $19.5 billion for Section 8 Tenant-based rental assistance, $886 million above last year in order to renew all vouchers currently in use; providing 10,000 new vouchers for homeless veterans through the VASH program, which is funded at $75 million; and a new demonstration to provide housing and services to homeless families and individuals;
- $150 million for the HECM program, which is a funding level sufficient to cover the expected volume for fiscal year 2011, according to the Subcommittee;
- $200 million for HOPE VI, a $65 million increase above last year, to provide grants to rehabilitate severely distressed public housing; and
- $2.1 billion for Homeless Assistance Grants to provide permanent and transitional housing for homeless families and individuals.

The bill also includes resources for sustainable development, including:
- $150 million for the Sustainable Communities Initiative to support a partnership with DOT and EPA that seeks to help communities better coordinate their housing and transportation resources; and
- $17.5 million for Brownfields Redevelopment.

For transportation, the bill provides:
- $45.2 billion for the Federal Highway Administration, an increase of $3.9 billion above the President’s request;
- Over $11.3 billion for public transportation programs, an increase of $508 million above the President’s request aimed at addressing the nearly $80 billion maintenance backlog needs; and
- A total of $3.2 billion for Amtrak, the High Speed and Intercity Passenger Rail program and investments in positive train control.

Further information on the subcommittee’s bill, including earmarks, can be found at: http://appropriations.house.gov. The California Institute will prepare an analysis of the bill and its California implications when more detailed documentation is available from the Appropriations Committee.

**Homeland Security: Impact of FEMA’s Grant Programs on Long Beach Discussed at Hearing**


FEMA’s Grant Programs Directorate (GPD) is now the Department’s program for administering more than $4 billion annually in homeland security and emergency management grants. According to Chairwoman Richardson, GPD plays a vital role in helping State and local entities build the capabilities necessary to prepare for, protect against, respond to, and recover from acts of terrorism and other disasters. “I remain supportive of giving the Regions greater operational responsibility when responding to disasters. FEMA officials in the field are much-better equipped to respond to situations on the ground than officials parked in Washington,” stated Chairwoman Richardson. “But non-disaster grant management is a uniquely different function than disaster response. It is not clear to me how handing control of the grants over to the Regions will improve FEMA’s grant management functions. GPD also must work with DHS
components like the Coast Guard for port security grants. Adding FEMA Regions to the mix of actors threatens to overly-complicate critical infrastructure grant programs.” She also indicated that Congress created GPD, in part, to ensure that DHS was consistently applying its grant policies and rules. It will be very difficult for 10 FEMA regions to consistently interpret grant policies, she said.

Ms. Harman, assistant administrator, of the Grant Programs Directorate discussed the department’s decision to decentralize grant management to the Regions, and efforts to improve homeland security grant programs. She also discussed the ways that FEMA is addressing the Inspector General’s recently issued report that identified legislative, inter-agency, and State-level barriers that impede maximizing the value of DHS grants.

Witnesses discussed challenges to the FEMA program, including the length of time it takes for grantees to spend their grant awards. For example, almost 50 percent of fiscal year 2007 homeland security-grant program funds have not been spent. That number jumps to 78 percent for port security grants. Some of the reasons that the awards aren’t spent are reasons that the GPD can control and others that reflect the time it takes state and locals to move through the grant lifecycle. Richardson voiced concern that when federal dollars are not being spent to fill critical security gaps, communities remain vulnerable.

In Richardson’s California district, the Ports of Long Beach and Los Angeles handle 30% of all U.S. shipping imports, and it is estimated that the economic impact of a nuclear attack on Port of Long Beach could initially exceed $1 trillion dollars. Chief Patalano from Long Beach highlighted the issues associated with the GPD grants and the reasons that the grants are important for cities like Long Beach. He also discussed the ways that the grant process can be improved and how to minimize the red-tape so that first-responders have the resources they need.

“We strongly believe that the region needs more homeland security aid in the fight against terrorism precisely because it is a high value target for terrorists and an attack would have enormous consequences that would be felt around the world,” stated Patalano. He urged the committee to increase funding and support for security efforts.

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

**ECONOMY: HOUSE PASSES EXTENSION OF UNEMPLOYMENT BENEFITS**

On July 1, 2010, the House passed H.R.5618 extending federal unemployment insurance benefits through Nov. 30, 2010, and making them retroactive to June 2nd when the current law expired. The vote was 270-153. The vote came two days after the House failed to pass the bill when it was considered under suspension of the rules, where it required a two-thirds majority for passage. That vote of 261-155 fell short of that threshold.

The Senate on June 30th fell one vote short of the 60 needed to move forward on H.R. 4213 that also would have extended the benefits. Sen. Majority Leader Harry Reid (NV) has said he hopes to bring the bill back up after the Fourth of July recess. West Virginia Governor Joe Manchin is expected to have appointed a Democrat to complete the term of the recently deceased Sen. Robert Byrd, giving Senate Democrats the 60th vote needed to invoke cloture and pass the bill.

After the Senate failed last week to end cloture on a more comprehensive bill, H.R. 4213, that would have extended numerous tax breaks, as well as unemployment compensation, and would have prohibited the scheduled Medicare rate reduction for doctors, the House and Senate leadership have stripped out the “doc fix” and unemployment benefits to move separately. The “doc fix” prohibiting the reduction of Medicare payments to physicians passed both houses last week.

The future of other provisions contained in the original bill, including the extension of the R&D tax credit remain in doubt.

**SOCIAL SERVICES: CA WITNESS URGES COMMITTEE TO PROMOTE HEALTH FOR NATIONAL SECURITY**

On July 1, 2010, the House Education and Labor Committee (Chairman George Miller, Martinez) held a hearing on the Improving Nutrition for America’s Children Act. The bill, H.R. 5504, is bipartisan
legislation to improve the nutritional quality of meals in schools and child-care settings introduced earlier this month.

The bill would expand access for millions of children to healthy meals year-round in schools, child-care, and community-based settings and for the first time, establish nutrition standards for foods sold outside of the cafeteria. Currently, over 32 million children rely on the federal child nutrition programs.

“Research shows that healthy eating and a child’s ability to focus and benefit from classroom time are absolutely linked,” said Chairman Miller. “The federal child nutrition programs provide us with a tremendous opportunity to help change children’s lives and the future of this country by not just feeding children healthier meals but teaching them about the importance of healthy choices.”

Witnesses and the committee discussed the importance of educating children about nutrition early and putting the emphasis on healthy nutrition and education in child-care and for mothers in the Women, Infants and Children program; using classrooms to help stop obesity; and how to empower schools to implement programs to promote healthy eating and high quality food options.

“At Dover Elementary and Richmond Elementary in my district, the kids help take care of a school garden,” said Chairman Miller. “They’re eating the products of their garden, they’re understanding the richness of fresh fruits and vegetables and they’re taking what they learned in the garden back home with them to teach their parents about healthy living. This is the type of program that we want to replicate in the legislation we introduced.”

Major General Paul D. Monroe, U.S. Army (Ret.), Executive Advisory Council Mission: Readiness, Berkeley, CA, a witness at the hearing, urged the committee to take action to improve the health of young Americans, citing concerns that 75-percent of all young Americans aged 17 to 24 are unable to join the military primarily because they failed to finished high school, have criminal records or are physically unfit.

“Obesity is the leading medical reason why young people are not qualified to serve; in the past 30-years, child obesity rates have more than tripled,” said Monroe. Mission: Readiness is a national non-profit of retired Admirals and Generals dedicated to ensuring our nation’s continued security and prosperity though smart investments in the upcoming generation of American children.

Witnesses also discussed the Improving Nutrition for America’s Children Act, which, according to Chairman Miller, would streamline and increase access for children to healthy nutritious food during the school day; work to improve food safety and the recall process in our schools; increase the reimbursement rate for the first time in over 30 years to better support schools ability to offer healthy school meals; and provide opportunities to offer school meals year-round, even when children are not in school.

For more information, visit: http://edlabor.house.gov.

AGRICULTURE: SAFETY NET CONSIDERED IN DISCUSSION OF THE 2012 FARM BILL

On June 30, 2010, the Senate Agriculture, Nutrition and Forestry Committee (Chairwoman Lincoln, Ark.) held a hearing on the reauthorization of farm programs. The hearing was titled: “Maintaining Our Domestic Food Supply through a Strong U.S. Farm Policy.”

The hearing focused on maintaining a strong U.S. farm policy and was the first of several that will take place this year as the Committee prepares to reauthorize the 2012 farm bill. Secretary of Agriculture Tom Vilsack; Bob Stallman, President of the American Farm Bureau Federation; Roger Johnson, President of the National Farmers Union, Thomas Cochran, a Georgia producer; Chris Pawelski, a New York producer; and Mark Wayne, a North Dakota producer, were among those who testified. The committee questioned the witnesses on the success of current farm safety net programs and discussed ways to improve the programs.

According to the California Department of Food and Agriculture, there are 81,500 farms in California and they make the state the leader in cash farm receipts. California is the nation’s leading dairy state and produces 400 commodity crops. The hearing focused on preserving a strong safety net for the nation’s farms.

The Committee plans to hold multiple hearings over the next few months, focused on various issues that will be addressed in the Farm Bill legislation, covering the scope of American agriculture. The next
hearings will cover the following topics: Revitalizing the Rural Economy through Robust Rural Development; Promoting Conservation Practices that Preserve Our Natural Resources and Wildlife Habitat for Future Generations; and Ensuring Agriculture is Part of Our Nation’s Energy Future

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

ENERGY: SUBCOMMITTEE DISCUSSIONS PROGRESS IN SMART GRID STANDARDS

On July 1, 2010, the Committee on Science and Technology’s Subcommittee on Technology and Innovation held a hearing on the development of the interoperability standards that will enable the growth of a reliable, efficient, and secure smart grid.

According to the Committee, the smart grid is a two-way communication network to help consumers and utilities better manage electric infrastructure. With smart grid technologies, customers have access to real-time data on the price of electricity. Since prices fluctuate throughout the day based on demand, consumers can use that information to make informed decisions about their energy use. Smart grid technologies will also enable more widespread adoption of electric vehicles and encourage the use of renewable energy sources, particularly in individual homes and businesses. These features are designed to move the nation toward a more efficient and more reliable electric grid.

As required by the Energy Independence and Security Act, the National Institute of Standards and Technology (NIST) is coordinating efforts to develop a common framework and interoperability standards to ensure that grid components work together. These guidelines will help in encouraging widespread adoption of energy-saving technologies, such as rooftop solar panels and smart appliances, as well as encouraging utilities to invest in smart grid infrastructure, according to the Committee.

Witnesses were: Dr. George Arnold: National Coordinator for Smart Grid, National Institute of Standards and Technology; Mr. Mason Emnett: Associate Director of the Office of Energy Policy and Innovation, Federal Energy Regulatory Commission; Mr. John McDonald: Director of Technical Strategy and Policy Development, GE Energy; Mr. Conrad Eustis: Director of Retail Technology Development, Portland General Electric; and Ms. Lillie Coney: Associate Director, Electronic Privacy Information Center.

“The benefits of smart grid will come from massive participation and widespread adoption of new technologies—and for that to work, we need the smart grid to be ‘plug-and-play’,” said Chairman David Wu (OR). “No consumer wants to find out that the smart dishwasher they bought a year ago will not work with the home network they just purchased. And few consumers will install solar panels, wind turbines, or fuel cells for their homes if it’s not easy to see how much power they’re creating or track the value of their investment.”

Since 2007, NIST has brought together more than 1,500 interested parties—including power generators, utility regulators, high-tech companies, and software developers—to identify gaps and coordinate efforts to develop new standards. NIST has created 16 Priority Action Plans to focus on specific needs, such as communications, metering, and support infrastructure for plug-in vehicles. NIST has also created a 300-member task group to focus solely on cybersecurity protection measures.

Members and witnesses discussed the importance of individual privacy and securities, noting that the energy usage data that characterizes the smart grid could also reveal such personal habits as when people shower, run a washing machine, or are in their home. Members also stressed the importance of NIST continuing to meet its ambitious timelines for standards development while maintaining quality, especially given the large scale of investment in the project from both private funding and the Recovery Act.

For more information, visit: http://science.house.gov/.

REPORT: EPI FINDS 2010 TO BE WORST YEAR FOR GRADUATION IN OVER TWO DECADES

According to a report released in May 2010 by the Economic Policy Institute in Washington, D.C., it will take years for the labor market to recover from the damage induced by the recent recession.

The report finds that while monthly job losses almost surely peaked in 2009, the unemployment rate will likely peak in 2010. In April, the unemployment rate reached 9.9% and the overall economic cause is
that firms are not hiring quickly enough, as indicated by the 5.6 job seekers per current job opening. EPI finds that the 290,000 jobs gained in April, the largest monthly job gain in three years, represent a baby step in climbing out of the jobs hole of 10.7 million that remains in the recession’s wake.

For the class of 2010, it will be one of the worst years to graduate high school or college since at least 1983 and possibly the worst since the end of World War II. This report highlights several aspects of the grim labor market situation facing young graduates, and discusses ways that government policy both helps and fails to help young workers damaged by the recession.

The report’s main findings are:

- The class of 2010 will be entering a labor market with the highest rates of unemployment in at least a generation;
- Unemployment rates for both college graduates and non-graduates younger than 25 are nearly double their pre-recession levels.
- Since the start of the recession, the youth labor force (workers age 16 to 24) has contracted by 1.1 million workers.
- Since the start of the recession, an additional 1.2 million 16-24-year-olds have become disconnected from both formal schooling and work.
- Most young adults that come across hard economic times will fall through the large gaps in the public safety net.

For more information, visit: [http://epi.3cdn.net/bf2e1bd6ad4b54f216_gam6ii89y.pdf](http://epi.3cdn.net/bf2e1bd6ad4b54f216_gam6ii89y.pdf).