RESOURCES: HOUSE WATER SUBCOMMITEE EXAMINES CALIFORNIA WATER BILL

The House Natural Resources Subcommittee on Water and Power held a hearing June 2, 2011 on H.R. 1837, the San Joaquin Valley Water Reliability Act introduced by Rep. Devin Nunes (Bakersfield). Witnesses were: The Honorable Michael L. Connor, Commissioner, Bureau of Reclamation; The Honorable John Laird, Secretary, California Natural Resources Agency; James M. Beck, General Manager, Kern County Water Agency, Bakersfield; Kole Upton, Chowchilla; and Thomas Birmingham, General Manager, Westlands Water District, Fresno.

HR 1837 consists of three Titles: Title I, which significantly amends the 1992 Central Valley Project Improvement Act (CVPIA) and supersedes the application of both the Endangered Species Act and California state law; Title II, which repeals the San Joaquin River Restoration Settlement Act and preempts the application of California state law; and Title III, dealing with repayment contracts and accelerating the repayment of construction costs associated with Reclamation's Central Valley Project (CVP).

It was a lively hearing filled with the passion and frustration that water issues always elicit in the state. All California members of the Subcommittee were in attendance - Reps. Tom McClintock (Roseville), Chairman of the Subcommittee, Grace Napolitano (Norwalk), Ranking Member, Jeff Denham (Mariposa), Jim Costa (Fresno), and John Garamendi (Alamo). Also sitting with the Subcommittee were Reps. Devin Nunes (Tulare) and Kevin McCarthy (Bakersfield).

Opinions on the bill split mostly over party lines with the Subcommittee Republicans supporting the bill and Democrats opposed. Rep. Nunes and several witnesses gave an impassioned defense of the legislation as imperative to turn back recent decisions that have unfairly denied water to the areas water contractors and farmers. They decried federal administrative and judicial actions in the past that they argue
caused a "man-made drought" that devastated the economy of the San Joaquin Valley by the mandated diversion of millions of gallons of water.

Opponents were equally heated in their opposition to the bill, calling it an attack on the ongoing non-partisan Bay-Delta Conservation Plan (BDCP) effort to achieve both the restoration of the ecological health of the Bay-Delta and the long-term reliability of water supplies. Rep. John Garamendi, a former Deputy Secretary of the Interior, warned that passage of the bill would not solve any problems, but would start another serious round of water wars in California.

At the conclusion of the hearing, Rep. Nunes allowed that legislation needs to revised before it goes to markup and he committed to working with the Committee to refine it. However, he stressed that he would fight any attempt to stall the legislation from moving forward.

The testimony of all the witnesses can be found at:

APPROPRIATIONS: HOUSE TAKES UP FY12 HOMELAND SECURITY FUNDING

On June 2, 2011, the House considered the FY 2012 Appropriations for the Department of Homeland Security (H.R. 2017). The bill provides about $42 billion in funding, three percent less than in FY11 and about seven percent less than requested in President Obama’s FY12 budget. H.R. 2017 was adopted by a vote of 231-188.

Funding for State and local first responder grants are cut by about $2.1 billion under the bill, leaving about $1 billion in funding. It also restructures how DHS awards state and local grants. During floor consideration, the House passed an amendment, 333-87, that increases funding by $320 million for firefighter assistance programs. The increase would be offset by cuts in DHS management funding. The House, however, rejected an amendment to add $337 million in funding to other state and local grants, including the Urban Area Security Initiative (UASI) grants. The vote was 154-266. It did, however, adopt an amendment that would expand the eligibility for UASI grants to more than just the 10 highest risk urban areas. The vote was 273-150. FEMA has currently limited the number of grants to no more than 31 urban areas.

The House considered numerous other amendments to the bill under the open rule. Among them was an amendment, adopted by a vote of 264-157, that would allow SAFER firefighter hiring to also be used to retain and rehire firefighters if granted a waiver.

An amendment was rejected that would have prohibited the use of funds to carry out section 287 agreements with local law enforcement regarding the questioning and apprehension of undocumented immigrants.

Details on the funding in the bill can be found at:

APPROPRIATIONS: SUBCOMMITTEE REPORTS FY12 ENERGY AND WATER APPROPRIATIONS BILL

The House Appropriations Energy and Water Subcommittee reported by voice vote the fiscal year 2012 Energy and Water and Related Agencies Appropriations bill on June 2, 2011. The legislation provides the annual funding for the various agencies and programs under the Department of Energy, including the
National Nuclear Security Administration, as well as the Army Corps of Engineers, the Bureau of
Reclamation, the Nuclear Regulatory Commission, and various regional water and power authorities. The
bill provides a total of $30.6 billion - a cut of $5.9 billion below the President's request and $1 billion below
last year - which brings the total cost of the bill down to nearly the 2006 funding level.

A summary of the subcommittee draft follows:

**Department of Energy (DOE)** - The funding for DOE within the legislation totals $24.7 billion -
$850 million below last year's level and $5.9 billion below the President's request.

**Yucca Mountain** - The bill provides $35 million to support Yucca Mountain activities, including
$10 million for the Nuclear Regulatory Commission to continue their review of the license application. The
bill also includes provisions to forbid the use of funds to close down the program.

**Science Research** - The bill includes $4.8 billion for science research, a slight reduction of $43
million below last year's level, but about $616 million below the Administration’s request. This funding
supports science and technology innovation through basic energy research, development of high
performance computing systems, and research into the next generation of clean energy sources.

**Energy Programs** - The bill provides $1.3 billion - $491 million below last year's level - for
programs to help lower the cost of renewable energy technologies and to develop new technology. The bill
also includes $734 million for nuclear energy research, development, and demonstration activities. In
addition, the legislation provides $477 million - $32 million above last year's level - for research and
development to advance coal, natural gas, and other fossil energy power generation technologies. The bill
includes $100 million for the activities of the Advanced Research Projects Agency-Energy, a decrease of
almost $80 million from last year’s funding and $450 million less than the President’s request. To support
loan guarantees for innovative projects the bill provides $160 million.

**Army Corps of Engineers** - The Army Corps of Engineers is funded at $4.8 billion, a decrease of
$89 million below last year's level and $195 million above the budget request. There are no congressionally
earmarked projects in the bill. The legislation provides more than $1.75 billion for navigation projects and
studies. The bill also provides funding for flood and coastal storm damage reduction activities at $1.54
billion - including $474 million for critical dam safety improvements.

The bill does not fund all of the presidentially requested projects for the Army Corps - redirecting
$59 million to navigation and flood control activities. Due to the large number of ongoing projects,
according to Committee documents, the bill provides a limited amount of discretionary funding to continue
essential flood control and navigation projects to be prioritized by the Corps.

**Bureau of Reclamation** - The legislation contains $934 million - $161 million below last year's
level and $117 million below the President's request - for the Department of the Interior and the Bureau of
Reclamation.

For the complete text of the subcommittee draft of the FY 2012 Energy and Water Appropriations
bill, please visit: http://republicans.appropriations.house.gov/_files/EnergyWaterDPOSTED_xml.pdf

For a table comparing the FY 2012 Energy and Water Appropriations bill with last year’s level and
the President’s request, go to:

The full Committee is scheduled to mark up the bill on June 15, 2011.

**APPROPRIATIONS: HOUSE APPROPRIATIONS APPROVES 2012 AGRICULTURE BILL**

On Tuesday, May 31, 2011, the full House Appropriations Committee approved the fiscal year 2012
Agriculture Appropriations bill, which will fund the various programs within the Department of Agriculture
and related agencies. In total, the legislation includes $125.5 billion in both discretionary and mandatory
funding, a reduction of more than $7 billion from the President's request. The bill reduces discretionary spending by $2.7 billion from last year's level - a cut of more than $5 billion from the President's request.

During the markup, Agriculture Appropriations Subcommittee Ranking Member Sam Farr (Carmel) offered an amendment making technical clarifications related to the Supplemental Nutrition Assistance Program (SNAP), the food stamp program. The amendment passed on a voice vote.


**Appropriations: House Subcommittee Considers 2012 Defense Appropriations Bill**

On June 1, 2011, the House Appropriations Defense Subcommittee approved by voice vote the FY2012 Defense Appropriations Bill. In total, the bill provides $530 billion in non-emergency funding, an increase of $17 billion over last year's level and a decrease of $9 billion from the President's request. In addition, the bill contains $119 billion in emergency spending for Defense activities related to the Global War on Terror - $39 billion less than last year due to the drawdown of U.S. forces overseas.

Major provisions in the subcommittee’s draft include:

**Ongoing Military Operations** - The bill contains $119 billion - $841 million above the President's request and $39 billion below last year - for ongoing military operations in Iraq and Afghanistan.

**Military Personnel and Pay** - The legislation includes $132.1 billion - $5.4 billion more than last year's level - to provide for 1,408,000 active duty troops and 847,100 reserves. This also includes a 1.6% pay raise for the military, which is in line with pending Defense Authorization legislation.

**Defense Health and Military Family Programs** - The bill contains $32.3 billion - $935 million above last year's level and $119 million above the request - for Defense health programs to provide care for U.S. troops and military families. This includes $223 million for cancer research, $125 million for traumatic brain injury and psychological health treatment, $30 million for orthopedic research, and $15 million for restorative transplant research. The legislation also includes $2.3 billion for family support and advocacy programs.

**Operation and Maintenance** - Included in the legislation is $170 billion for operation and maintenance - $780 million below the request and $4.4 billion above enacted levels.

**Research and Development** - The bill contains $73 billion - $1.9 billion below last year's level and $2.3 billion below the President's request - for research, development, testing, and evaluation of new technologies. The bill fully funds the tanker replacement program, and research and development for the P8-A Poseidon, the Broad Area Maritime Surveillance (BAMS) Unmanned Arial Vehicle, the Navy Combat Air Vehicle, and the CH-53K helicopter.

**Equipment Procurement** - The legislation provides a total of $107.6 billion - $5.5 billion above last year and $3.6 billion below the President's request - for new equipment and upgrades. The bill includes $15.1 billion for the construction of ten Navy ships, $5.9 billion for 32 Joint Strike Fighter aircraft (19 Air Force, 7 Navy, 6 Marine Corps), $2.8 billion for 116 H-60 Blackhawk helicopters (71 Army, 42 Navy, and 3 Air Force), $1.4 billion for 47 CH-47 Chinook helicopters, $1.1 billion for 11 C-130J aircraft, and $699 million for 48 MQ-9 Reaper UAVs.

**Guantanamo Bay** - The legislation prohibits funding for transfers of Guantanamo detainees to the U.S. or its territories, prohibits funding to modify any facility in the U.S. to house detainees, and places conditions on the release of detainees to other countries. These provisions are virtually identical to language contained in the fiscal year 2011 Defense Appropriations legislation.
**Rescissions and Reductions from the President's Request** - The bill makes reductions from the President's request in the following: -$500 million for unjustified supply increases, -$400 million in logistic support contract savings, -$435 million in savings stemming from production delays in the Advanced Medium-Range Air-to-Air Missile (AMRAAM), and -$524 million in program delay savings of the Enhanced Medium Altitude Reconnaissance and Surveillance System (EMAARS). In addition, the bill rescinds $1.7 billion in unneeded prior year funds and $1.3 billion for improved economic assumptions. The legislation also does not provide funds to continue the F-35 second engine program.


For a table comparing the subcommittee draft of the FY 12 Defense Appropriations bill with last year's level and the President’s request, please visit: [http://republicans.appropriations.house.gov/_files/53111FY12DefenseSubMarkUpTable.pdf](http://republicans.appropriations.house.gov/_files/53111FY12DefenseSubMarkUpTable.pdf).

The full Appropriations Committee is scheduled to mark up the bill on June 14, 2011.

**HEALTH: HEARING HELD ON FDA MEDICAL DEVICE APPROVAL**

On June 2, 2011, the House Oversight and Government Reform Subcommittee on Health Care, District of Columbia, Census and the National Archives held a hearing titled "FDA Medical Device Approval: Is There a Better Way?" Witnesses included: Rep. Erik Paulsen (MN); Jeffrey Shuren, Director, Centers for Devices and Radiological Health, Food and Drug Administration; Jack Lasersohn, General Partner, The Vertical Group; David Gollaher, President and CEO, California Healthcare Institute (La Jolla, CA); and Rita Redberg, Professor of Medicine, and Director, Women's Cardiovascular Services, Division of Cardiology, University of California, San Francisco.

Mr. Gollaher testified on behalf of the California Health Institute (CHI) concerning the review and approval of medical devices by the U.S. Food and Drug Administration (FDA). The FDA exerts critical influence on medical technology innovation and investment, which, in turn, affects job creation, U.S. competitiveness and, most important of all, the tests and treatments available to patients, Gollaher said. His testimony is based on a recent report CHI produced with The Boston Consulting Group (BCG) entitled "Competitiveness and Regulation: The FDA and the Future of America's Biomedical Industry."

According to CHI, there are more than 8,000 medical device firms in the United States employing over 400,000 people. California is home to some 1,200 of these medical device firms, far more than any other state in the nation, Gollaher said. In addition, the 107,000 medical device jobs in California represent roughly one-quarter of our country's total medical technology workforce.

Over the past generation, Gollaher testified, California has developed a remarkably rich and diverse biomedical ecosystem that has fostered the growth of medical technology companies. He said this ecosystem is shaped and influenced by many external factors that can bolster or weaken it. At the federal level, these factors include policies set by Congress and government agencies in areas such as science funding, tax policy, intellectual property law, as well as Medicare coverage and payment policy, and regulation by the FDA.

David Gollaher testified, "Unfortunately, in recent years there has been a significant deterioration in the environment for medical technology innovation. This is partly the result of the financial crisis and ensuing Great Recession, which sharply reduced investment capital. But the most important factor has been the declining performance of the FDA."

A 2009 GAO report entitled “FDA Should Take Steps to Ensure That High-Risk Device Types Are Approved through the Most Stringent Premarket Review Process” found that the majority of high-risk medical devices are commonly approved with no clinical study data, Ms. Redberg testified. Class III devices are defined by the FDA as "usually those that support or sustain human life, are of substantial importance in preventing impairment of human health, or which present a potential, unreasonable risk of illness or injury."
Of over 10,000 submissions for Class II devices that FDA cleared via the 510(k) process, the GAO found that "over one-quarter were for devices that were implantable; were life sustaining; or presented significant risk to the health, safety or welfare of a patient" and thus should have gone through the more rigorous pre-market approval (PMA) process.

The University of California's recent study published in The Journal of American Medical Association found that fully two-thirds of PMA cardiovascular devices were approved on the basis of only a single study, Ms. Redberg testified. Moreover, only 27% of those studies were randomized and only 14% were blinded, and only half had a comparison control group, she said. The majority of these high-risk implanted devices were approved without the support of high quality data on safety and effectiveness.

Mr. Gollaher shared six recommendations with the subcommittee for addressing these problems. First, instead of creating expansive new authorities and responsibilities requiring ever increasing user fee levels, Gollaher said, Congress and the FDA should focus on re-centering the Agency to its primary mission and core competencies, addressing the serious inefficiencies and performance breakdowns of recent years. Second, he advocated for a steady and sustained congressional commitment to FDA funding, even in today's difficult budget environment. Third, he said more must be done to train Agency reviewers and managers. Fourth, he urged Congress to examine device approval processes in Europe. Fifth, CHI believes that the Agency and industry stakeholders should be encouraged to collaborate, interact and work together more now than at any time in the past. And finally, he advocated for an improved, more appropriate balance between benefit and risk.

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

**Education: House Committee Examines Charter Schools**

The House Education and the Workforce Subcommittee on Early Childhood, Elementary and Secondary Education (Chairman Duncan Hunter (San Diego)) held a hearing titled "Education Reforms: Exploring the Vital Role of Charter Schools" on June 1, 2011. Witnesses included: Debbie Beyer, Executive Director, Literacy First Charter Schools, El Cajon, CA; DeAnna Rowe, Executive Director, Arizona State Board for Charter Schools; Dr. Gary Miron, College of Education, Western Michigan University; and Beth Purvis, Executive Director, Chicago International Charter School.

The hearing examined the ability of charter schools to meet the education needs of special populations and individual communities. Members explored ways to improve charter school quality and expand access, empowering more families with choices about their children's education.

According to Chairman Hunter, charter schools are independent public schools that embody two key principles American families want from the nation's education system: choice and flexibility. He said charter schools emphasize parental involvement, encourage innovative instruction, and demand high academic standards. Charter schools continuously monitor parental approval and student progress, and they are held accountable for results, Hunter said.

Ms. Debbie Beyer testified on behalf of Literacy First Charter Schools which is located in El Cajon, California. In 1992, Beyer said, California was the second state after Minnesota to pass charter school legislation. The movement was gaining steam across the nation: an innovative idea that initiated the idea of allowing schools within the public sector to have a little more freedom, in exchange for more accountability. According to Beyer, that was the genesis of the Charter Schools Act of 1995 and it seemed the right compromise between political parties that allowed for choice within the public school market. This began the journey of each state having the opportunity to enact its own charter legislation. Beyer stated that it was unique as there was, and is, no standard model. Each state was allowed to determine its own way to fund, develop and regulate charter schools. To date, 39 states and the District Columbia have charter legislation, Beyer testified.
The impetus of the charter school movement was due to continued poor performance by many public schools and the continuing under-performance of a large population of our students, Beyer testified. She said there are large bodies of data as reported by the Center for Education Reform (see http://www.edreform.com) and others including the latest report, "Portrait of a Movement", by the California Charter Schools Association, that indicate comparing apples to apples, charters are doing a better job educating the underperforming and at risk student.

"They say that a picture is worth a thousand words, and while time is a constraint in this hearing, I would encourage you to visit our website at http://www.lfcsinc.org for a picture of what a great set of schools are doing in San Diego,” Beyer told committee members.

To view all of the witness testimony, visit: www.edworkforce.house.gov.

**SPACE: HOUSE REVIEWS NASA COMMERCIAL CARGO PROVIDERS**

On Thursday, May 26, 2011, the House Science, Space and Technology Subcommittee on Space and Aeronautics met for a hearing titled "NASA's Commercial Cargo Providers: Are They Ready to Supply the Space Station in the Post-Shuttle Era?" Witnesses included: William Gerstenmaier, Associate Administrator, Space Operations Mission Directorate, NASA; Cristina Chaplin, Government Accountability Office; Gwynne Shotwell, President, Space Exploration Technologies; and Frank Culberson Jr., Sciences Corp.

According to the hearing charter, NASA is preparing to launch the final Space Shuttle mission to the International Space Station (ISS) on July 8, 2011. Subcommittee Chairman Steve Palazoo (MS) said the flight was added in part because NASA and its commercial partners are behind schedule and have not yet demonstrated a capability to access the ISS. NASA estimates that the ISS requires about 83 metric tons of dry cargo between 2010 and 2015. Palazoo said without the Space Shuttle, NASA's international partners lack sufficient capabilities to satisfy the ISS cargo resupply needs.

Since NASA created the strategy for the Commercial Orbital Transportation Services (COTS) project in 2005, the space landscape has changed significantly, increasing the importance of the timely development of COTS vehicle, said Ms. Cristina Chaplan, testifying on behalf of the Government Accountability Office (GAO). The COTS program, intended to demonstrate commercial cargo delivery capabilities to the ISS from two commercial partners, Space Exploration Technologies (SpaceX) and Orbital Science Corporation (Orbital), received $500 million from NASA since 2005. Space X's design and manufacturing facilities are located in Southern California.

The two COTS project partners, Orbital and SpaceX, have made progress in the development of their respective vehicles; however, both providers are behind schedule, according to Mr. Gerstenmaier of NASA. As a result, the project recently received an additional $300 million to augment development efforts with risk reduction milestones. To date NASA has spent over $1.25 Billion on the Commercial Cargo effort without accomplishing a demonstration to the ISS, Gerstenmaier said.

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

**ENERGY: HOUSE DISCUSSES WIND AND SOLAR ENERGY ROADBLOCKS**

On Wednesday, June 1, 2011, the House Natural Resources Committee held an oversight hearing titled, "American Energy Initiative: Identifying Roadblocks to Wind and Solar Energy on Public Lands and Waters." This is the second in a series of oversight hearings on the American Energy Initiative, which is aimed at expanding American energy production to lower costs and create more jobs. Witnesses included: Rhone Resch, President and CEO, Solar Energy Industries Association; Frank DeRosa, Senior Vice President, First Solar Inc; Martin Piszczalski, Owner, Sextant Research; Dan Reicher, Executive Director, Center for Energy Policy and Finance, Stanford University; Roby Roberts, Co-Chairman, Legislative Committee, American Wind Energy Association; Susan Reilly, CEO, RES Americas; James S. Gordon, President, Cape Wind Associates LLC; Jim Lanard, President, Offshore Wind Development Coalition.
According to Chairman Doc Hastings, only 1 percent of the Bureau of Land Management's (BLM) "solar energy zones," created from over 120 million acres of BLM land, is currently being offered for streamlined solar energy production. Chairman Hastings commented that he believes BLM's regulatory structure is often so complicated and slow that companies don't bother applying, opting instead for private land.

Mr. Reicher of Stanford University serves as Chairman of the Board of Directors of the American Council on Renewable Energy (ACORE) and serves on the Board on Energy and Environmental Systems of the National Academy of Sciences and the Board of Directors of the American Council for an Energy Efficient Economy (ACEEE). Prior to his role at Stanford, he was Director of Climate Change and Energy Initiatives at Google.

Reicher discussed several obstacles to the successful deployment of renewable energy on a large scale. Some of the obstacles he discussed are inadequate R&D funding and the serious challenges of technology demonstration, commercialization, and cost competitiveness. He also said siting renewable energy projects on public lands is indeed an obstacle to large-scale renewable energy deployment; however, he said it was a relatively modest obstacle. Mr. Reicher said he was concerned about America keeping pace with the investments that China and the European Union are making in clean energy. The International Energy Agency forecasts that over $5.7 trillion will be invested in renewable energy globally over the next two decades. In 2010 alone over $127 billion was invested globally in renewable energy project financing.

The wind energy industry currently employs 75,000 people in the U.S. In 2010, the industry installed 5,116 megawatts, representing $11.1 billion in investment. Total cumulative installed capacity stands at 40,181 megawatts, enough to power 10 million homes. Average annual growth for the past five years was 35 percent, second only to natural gas and more than nuclear and coal combined. The industry has utility scale wind projects operating in 38 states and more than 400 manufacturing facilities in 42 states.

Solar Energy Industries Association estimates that there are 1,053 companies creating solar jobs in California. The following are some facts on the industry in California by Congressional District:

CA 4th District:
- SunEdison, a global solar developer, has an office in McClellan
- SolarRoofs.com, a solar water heating and cooling manufacturing company, is headquartered in Carmichael
- United Natural Foods is installing a 1.19 MW solar PV array on its roof in Rocklin

CA 10th District:
- SolarBOS, a designer and manufacturer of electrical “Balance of System” products for the solar industry is based in Livermore
- Amerimade, also based in Livermore, manufactures a variety of PV systems and parts

CA 19th District:
- 10 companies in California’s 19th Congressional district are creating solar jobs
- MRL Industries, Inc. manufactures solar industry-related heating products and services in its Sonora factory

CA 20th District:
- Cleantech America Inc.'s CalRENEW-1 5-MW Thin-Film PV Project in Mendota is online

CA 38th District:
- The Los Angeles Unified School District is partnering with SunPower Corporation to install a 1 MW solar panel array on top of its General Stores Warehouse in Pico Rivera.

For more information, visit: http://naturalresources.house.gov.
WELFARE: HEARING ADDRESSES WELFARE PROGRAM DUPLICATIONS AND INEFFECTIVENESS

On Wednesday, June 1, 2011, the House Oversight and Government Reform Subcommittee on Regulatory Affairs, Stimulus Oversight and Government Spending held a hearing titled "Duplication, Overlap, and Inefficiencies in Federal Welfare Programs."

Witnesses included: Patricia Dalton, Chief Operating Officer, Government Accountability Office (GAO); Robert Rector, Senior Research Fellow, The Heritage Foundation; John Mashburn, Executive Director, The Carleson Center for Public Policy; and Lisa Hamler-Fugitt, Executive Director, Ohio Association of Second Harvest Foodbanks.

Ms. Dalton testified on behalf of the GAO highlighting some key examples of overlap and duplication on the federal government’s management of programs providing services in the areas of (1) domestic food assistance, (2) employment and training, (3) homelessness, and (4) transportation for disadvantaged populations. For each area, she discussed some of the challenges related to overlap and duplication, as well as examples of how better information about each program could help policymakers in determining how to address this overlap and duplication.

The GAO’s simulations of the federal government’s fiscal outlook show continually increasing levels of debt that are unsustainable over time, absent changes in the federal government’s current fiscal policies, Dalton said. Since the end of the recent recession, the gross domestic product has grown slowly, and unemployment has remained at a high level. While the economy is still recovering and in need of careful attention, Dalton explained, widespread agreement exists on the need to look not only at the near term but also at steps that begin to change the long-term fiscal path as soon as possible without slowing the recovery.

The federal government spent more than $90 billion on domestic food and nutrition assistance programs in fiscal year 2010. This assistance is provided through a decentralized system of primarily 18 different federal programs that help ensure that millions of low-income individuals have consistent, dependable access to enough food for an active, healthy life. According to the GAO testimony, several federal agencies provide a range of programs that offer not only housing assistance but also supportive services to those experiencing homelessness and to those at risk of becoming homeless, yet coordination of these programs varies by program and agency.

In July 2010, GAO reported that agencies had taken some steps toward improved coordination. For instance, the U.S. Interagency Council on Homelessness (USICH) has provided a renewed focus on such coordination and has developed a strategic plan for federal agencies to end homelessness. However, the lack of federal coordination was still viewed by some local service providers as an important barrier to the effective delivery of services to those experiencing homelessness. Without more formal coordination of federal programs to specifically include the linking of supportive services and housing, federal efforts to address homelessness may remain fragmented and not be as effective as they could be, GAO concluded. In June 2010, GAO recommended that the Departments of Education, HHS, and Housing and Urban Development develop a common vocabulary to facilitate federal efforts to determine the extent and nature of homelessness and develop effective programs to address homelessness. The GAO also recommended in July 2010 that HHS and HUD consider more formally linking their housing and supportive services programs.

Ms. Dalton testified that opportunities exist to streamline and more efficiently carry out programs in the areas of domestic food assistance, employment and training, homelessness, and transportation for disadvantaged populations. In addition, she stated that addressing duplication, overlap, and fragmentation in these areas could help to minimize the administrative burdens faced by those entities -- including states, localities, and nonprofits -- that are delivering these programs’ services.

For more information, visit: http://oversight.house.gov.
REPORT: ITIF EXAMINES UNIVERSITY RESEARCH FUNDING

In May, 2011, the Information Technology and Innovation Foundation (ITIF) released a report titled, University Research Funding: The United States is Behind and Falling. The report finds that the United States ranks 22nd out of 30 countries in government-funded university research and 21st in business-funded university research. Meanwhile, collaboration between universities and business grew dramatically in Austria, China, Israel, Taiwan and other nations, according to the report.

Authors of the report say university-based research is of particular importance to innovation, as the early-stage research that is typically performed at universities serves to expand the knowledge pool from which the private sector draws ideas and innovation. They are troubled that in 2008 the United States ranked so low out of the other 30 countries reviewed.

From 2000 to 2008, the United States ranked 18th in the growth of government-funded university research, with countries like China, Korea and the United Kingdom significantly outperforming the United States. At this time, the United States ranked 23rd in the growth of business-funded research, with it actually declining as a share of GDP. In contrast, collaboration between universities and business grew dramatically in nations like Austria, China, Israel and Taiwan. The report explains that national economies are increasingly competing on the basis of innovation, and, in the race for global innovation advantage, the United States will continue to trail countries that have placed university research and industrial collaboration at the forefront of their economic policy.

ITIF advocates for the prioritization of university research funding, "with the knowledge that the long-term payoffs to their state and to the nation as a whole will be substantial." Likewise, instead of "reforming" the tax code by "broadening the base" and lowering the rate, ITIF encourages policymakers to enact a collaborative R&D tax credit that provides companies with a tax credit for expenditures on research conducted at universities.

For more information, visit: http://www.itif.org.

COMMERCE: OBAMA NOMINATES FORMER EDISON EXEC AS COMMERCE SECRETARY

On May 31, 2011, President Barack Obama announced the nomination of John Bryson to be the Secretary of the U.S. Department of Commerce. Mr. Bryson, who had a long tenure running California energy company Edison International, has more recently served as chairman of BrightSource Energy, a startup specializing in solar-thermal power.

Mr. Bryson will continue the Department's mission to drive U.S. competitiveness in the global marketplace, strengthen the international economic position of the United States and facilitate global trade by opening up new markets for U.S. goods and services.

Previously, Mr. Bryson was Chairman and Chief Executive Officer of Edison International, the parent company of Southern California Edison and Edison Mission Group, from 1990 to 2008. Among other positions, he is a director of The Boeing Company and The Walt Disney Company. He is also chairman of the Keck School of Medicine of the University of Southern California (USC) Board of Overseers and a trustee of the California Institute of Technology.

Mr. Bryson also served as president of the California Public Utilities Commission, chairman of the California State Water Resources Control Board, and on the board of the Council on Foreign Relations. At the start of his career, he was a co-founder and attorney for the Natural Resources Defense Council (NRDC). He is a graduate of Stanford University and Yale Law School.

For more information, visit: http://www.whitehouse.gov.

EVENT: CALIFORNIA STATE SOCIETY ANNUAL PICNIC ON THE POTOMAC

The California State Society is hosting its annual Picnic on the Potomac on Saturday, June 11th from 11am - 4pm at the West Potomac Park (Ohio Drive between Independence Ave. and West Basin Drive, Washington, DC). The picnic includes a delicious menu of hamburgers and hot dogs, wine, beer, fruit, and
other snacks and drinks.

You must be a current 2011 member to attend. Membership cannot be purchased at the door -- join online before the event at http://www.californiastatesociety.com. For more information about the California State Society, please email info@californiastatesociety.com. To RSVP for the picnic please email rsvp@californiastatesociety.com.