Congress: House & Senate Return The Week of September 5th

The Senate and House will return from their August district work periods the week of September 5th, 2011. Both chambers have been holding pro forma sessions throughout the month in order to prevent the President from making recess appointments to government posts.

The Senate will resume legislative business on Tuesday, September 6, 2011. Floor votes in the House are expected on Wednesday, September 7, 2011.

The Senate is expected to begin marking up its FY12 appropriations bills right after its return. The Senate has only passed the FY12 Military Construction-Veterans Affairs spending bill. The Senate Appropriations Subcommittee on Homeland Security is set to mark up its bill on September 6th. The full Committee is also expected to set its spending allocation caps on that day. It will divvy up the $1.043 trillion FY12 discretionary spending limit among the individual appropriations measures.

The House, which has already passed half of the dozen appropriations bills, is expected to focus on repealing a number of federal regulations to encourage job creation. Majority Leader Eric Cantor (VA) has targeted at least ten regulations, most emanating from the Environmental Protection Agency. Speaker John Boehner (OH) has also sent a letter to the President asking for a list of all proposed regulations that would have an economic impact exceeding $1 billion.

The House will also consider legislation to overturn the National Labor Relations Board’s restoration order preventing Boeing from moving an assembly line from a facility in Washington state to a new facility in South Carolina. The House Ways and Means Committee will also take up measures to repeal some government contractor withholding limits and to allow small businesses to take a tax deduction equal to 20% of their income.

For more information on the House agenda, go to: http://majorityleader.gov/blog/2011/08/memo-on-upcoming-jobs-agenda.html.

Reports: LAO Releases A Ten-Year Perspective on California’s Infrastructure Spending

On August 25, 2011, California’s Legislative Analyst’s Office (LAO) released a report entitled, A Ten-Year Perspective: California Infrastructure Spending. California’s infrastructure includes a diverse
array of capital facilities across many program areas. In addition, the state provides funding for local public infrastructure, such as K-12 schools and local streets and roads. Over the last decade, infrastructure costs have taken up a larger share of the state’s budget, yet the state’s infrastructure demands continue to grow, LAO finds.

In this report, the LAO summarizes the state’s infrastructure spending and provides ideas for planning and funding future infrastructure. Specifically, it recommends that the Legislature establish a more coordinated process for financing infrastructure. Throughout the report, the LAO highlights ways the state could manage infrastructure to reduce state costs, such as prioritizing the state’s infrastructure investments to the most critical and appropriate programs, adopting strategies to reduce infrastructure demand, and identifying additional revenue to support infrastructure.

The report also summarizes the state’s major infrastructure investments from the previous decade. Overall, the LAO estimates that the state spent $102 billion on infrastructure from 2000-01 to 2009-10. The report states that over 70 percent of the spending was for transportation and K-12 education programs – with approximately $41 billion spent on transportation infrastructure and $31 billion on K-12 school facilities. The other large infrastructure programs were natural resources ($13 billion) and higher education ($10 billion). Additionally, more than half of the spending was for local programs. The state provided local governments with more than $59 billion to build, acquire, or improve infrastructure, LAO finds.

Further, the report states that during the last decade, the state expanded its infrastructure funding responsibilities to provide support for programs that previously did not receive state support, such as high-speed rail, trial courts, children’s hospitals, and stem cell research facilities. According to the report, borrowing through bonds financed most infrastructure investments. General obligation bonds and lease-revenue bonds accounted for almost two-thirds of the state’s infrastructure spending. Most of these bonds were placed on the ballot or authorized by the Legislature and Governor. LAO reports that less than 15 percent of approved general obligation bonds stemmed from initiative bond measures (measures placed on the ballot directly by the voters). Because of the reliance on bond funding, state spending on many infrastructure programs fluctuates considerably over time. After a bond passes, programs typically experience temporary expenditure increases until the bond funds are exhausted, the LAO concluded.

LAO makes the following recommendations to California’s legislature:

- Review the administration’s infrastructure plan and monitor the state’s progress in implementing the plan.
- Set priorities for infrastructure spending across programs.
- Analyze proposed bond acts to ensure they fit within priorities, plans, and funding capabilities.
- Determine which local or other non-state programs should receive funding.
- Assess the state’s infrastructure data and create legislation to improve data collection when necessary.
- Develop institutional expertise in capital outlay topics such as financing, construction delivery methods, and cost escalation.

To read the entire report, visit: http://lao.ca.gov/.

REPORTS: CIS EXAMINES WHETHER THERE IS A SHORTAGE OF SKILLED FOREIGN WORKERS

The Center for Immigration Studies released an August 2011 Backgrounder report by David North asking the question “Is There a Shortage of Skilled Foreign Workers?” Because there have been numerous recent proposals to increase the admission of skilled workers from abroad, the paper examines some of the issues surrounding the question of skilled immigration in the United States.

The findings of the report include:
- There are about 10 million Americans with STEM degrees (Science, Technology, Engineering, and Mathematics) not working in those fields.
- Each year, some 200,000 additional skilled foreign workers are admitted through a variety of existing visa programs.
- At least one million skilled nonimmigrant workers are in the United States at any one time.
- The large majority of foreign PhD recipients already remain in the United States under current law.


REPORTS: PEW REPORTS ON COLLEGE ENROLLMENT BY RACE AND ETHNICITY

On August 25, 2011 the PEW Hispanic Center released a report on College Enrollment by Race and Ethnicity. The report examines the surge in Hispanic and black college attendance and the factors behind the all-time high college enrollment figures. It is based on an analysis of newly released Census Bureau data on school enrollment.

Driven by a single-year surge of 24% in Hispanic enrollment, the number of 18- to 24-year-olds attending college hit an all-time high of 12.2 million in October 2010, according to the report. From 2009 to 2010, the number of Hispanic young adults enrolled in college grew by 349,000, compared with an increase of 88,000 young blacks and 43,000 young Asian-Americans and a decrease of 320,000 young non-Hispanic whites. According to Pew, as a result of these shifts, young Hispanics are now the largest minority on the nation's college campuses. The Hispanic enrollment increase has been spurred by a mixture of population growth and educational strides. The rate of young Hispanics enrolled in college rose from 13% in 1972 to 27% in 2009 to 32% in 2010, the study shows.

As a result of these shifts, young Hispanics for the first time outnumbered young blacks on campus, even though young black college enrollment has also grown steadily for decades and it, too, has surged in recent years, according to PEW. In 2010, 38% of all 18- to 24-year-old blacks were enrolled in college, up from 13% in 1967 and 32% in 2008.

The study shows that the Hispanic enrollment increase has been even more dramatic than the black enrollment increase because it has been spurred by a mixture of population growth and educational strides. High levels of immigration and high birth rates have made Hispanics the nation's biggest minority group, comprising 16% of the U.S. population as of 2010. In 1972, just 5% of the nation's 18- to 24-year-olds were Hispanic. By 2010, that share rose to 19%. However, population growth accounts for only a share of the 24% young Hispanic college enrollment spike from 2009 to 2010. During that same period, the total population of 18- to 24-year-old Hispanics only grew by 7%. Thus, according to Pew, rising educational attainment is an important driver of these enrollment trends, over the long term as well as in recent years.

The rate of young Hispanics enrolled in college rose from 13% in 1972 to 27% in 2009 to 32% in 2010.

The reports findings were based on an analysis of the U.S. Census Bureau's School Enrollment Supplement of the October 2010 Current Population Survey (CPS), supplemented by historical time series
based on the CPS. The CPS is the standard source for national rates of college enrollment and has collected college enrollment information in a consistent manner since 1947.

To view the entire report, visit: http://pewhispanic.org/.

**REPORTS: PPIC RELEASES “RETHINKING THE STATE-LOCAL RELATIONSHIP: CORRECTIONS”**

In August, 2011, the Public Policy Institute of California released a report entitled, Rethinking the State-Local Relationship: Corrections, authored by Dean Misczynski. According to the report, California is pursuing historic changes to its corrections system and key responsibilities will soon shift from the state to the counties. This report provides an overview of the changes, examines the funding issues, and considers what this shift in responsibility will mean for both state and county government and is part of a PPIC series on rethinking the state-local relationship.

According to the report, in the past, convicted felons went to state prison. However, beginning in October 2011, lower level felons (those convicted of nonserious, nonviolent, nonsexual crimes) will serve their time in county jail. In the past, state parole officers oversaw felons released from state prison. After October, county officials will take over this responsibility, again for lower level felons. In the past, parole violators were sent back to state prison. In the future, almost all parole violators will be sent to county jail (for much shorter periods) or managed under a variety of alternative sanction programs.

According to Misczynski, these changes are motivated in part by a federal ruling, recently upheld by the U.S. Supreme Court, which ordered that California reduce its prison population by roughly 30,000 prisoners within two years. This order came at a time when the state had been struggling with significant budget shortfalls for several years, he reports. The cost of adult corrections increased from four percent of the state’s general fund budget in 1984 to over 10 percent in 2008.

The report states that shifting some key correctional responsibilities from the state to the counties helps to address both legal and budgetary issues. However, it remains to be seen whether California can comply with legally defined timelines for shifting its prison population or if it can negotiate an alternative schedule. Similarly, the long-term effects of these changes on the state budget and public safety are as yet unknown, Misczynski says.

Counties will receive state money for taking on their new responsibilities (around $1 billion a year after the changes have been fully phased in) according to the report. Initially, Governor Jerry Brown proposed that these payments be constitutionally guaranteed, but the legislature did not agree to do that.

According to PPIC, despite these arrangements, funding remains one area of concern for counties. It is uncertain whether there will be enough money from the state for counties to implement and manage the upcoming changes. Moreover, counties will be expected to do many things differently than the state has done in the past. Key areas of change, and Misczynski’s assessment, include:

- Alternative sanctions. Sheriffs will need to rely on a considerable range of alternative sanctions to hold prisoners, including home detention monitored with GPS ankle bracelets, day reporting centers, intensive probation, and drug and alcohol treatment.

- Post-release community supervision. County-managed supervision of ex-offenders will not last as long as state-supervised parole. There is considerably less likelihood that re-offenders will return to prison.

- Coordination of social services. Ideally, counties will use their social service programs in conjunction with community supervision in ways that help offenders find more constructive life paths and work to reduce the state’s high rate of recidivism.

Misczynski concludes that the state’s role in terms of oversight and budgeting will continue to evolve. Over time, successful corrections realignment will require good faith adaptation to changing circumstance and program experiences in addition to adequate funding in both the short and long term.

For more information, visit: http://www.ppic.org.
REPORTS: CALIFORNIA COUNCIL ON SCIENCE AND TECHNOLOGY RELEASES
“INNOVATE 2 INNOVATION” REPORT

On August 7, 2011, the California Council on Science and Technology released a report entitled “Innovate 2 Innovation.” According to the Council, "Innovate 2 Innovation," or "i2i," envisions a resurgent California and presents an action plan that would restore California's magnetic attraction for talent and reputation for scientific research and high technology.

To underline i2i's call for innovation, CCST deployed a remote response medical robot, RP-7, to deliver the report to a gathering of California state legislators. Remotely piloting the robot from the Santa Barbara headquarters of InTouch Health was company founder Yulun Wang, precisely the type of high-tech entrepreneur i2i has in mind for a resurgent California, CCST says. Appearing on the robot's head-mounted monitor, Wang literally put a face on the i2i report's mission and purpose.

The i2i report lays out a three-pronged strategy that it believes would strengthen collaboration between industry and higher education, transform K-12 education into a robust and digitally-driven learning environment, and apply technology to resolving California's water issues at a level unknown today.

A California Innovation Corporation, or CIC, would provide a cohesive setting for academic and industry leaders to work more closely together. Funded privately, the Corporation would promote the commercialization of innovative products and development while nurturing talent. By building a stronger and larger base of researchers and entrepreneurs, California's faltering economy could again find its footing and speed economic growth, CCST argues.

Illustrating the need for more innovative leadership, i2i paints a stark picture of California's current status. In a trend described as "alarming," California trails other states in rates of growth. In 2004, the combined 39 million population of Texas, Virginia and Washington included 213,000 engineers. By 2008, the number of employed engineers had grown by 43,000. California, with roughly the same population, introduced about half as many engineers into its workforce, despite its longtime role as the epicenter of global high-tech industry.

The CIC would focus energy on closing that gap on several levels in addition to building up the number of engineers and scientists in California. Along with widening channels of cooperation between academia, research labs and industry, it would support entrepreneurial leadership and strive to improve the state's business climate for innovation industries, CCST says.

If adopted, i2i's recommendations on K-12 education would likely become its most visible, widespread and dramatic difference in day-to-day life in California. It calls for every California child to have access to broadband capability. Under this scenario, students would interact with teachers and explore subjects through mobile phones and laptops inside and outside of a classroom. Students would study math and science, but through new courses that would depart from traditional teaching methods and prepare them for life in the mid 21st century. Subjects could include Information and Media Literacy, and Economics, Business and Entrepreneurial Literacy.

Achieving this would require revamping California's Education Code, which actually works to block advances in digitally enhanced education, according to i2i. Related to this is removing a roadblock to complete implementation of new standards adopted in 2010 for math, English, science and social science literacy, currently hung on a state moratorium that delays developing new instructional materials until at least 2015, the report argues. It would also require a robust amount of private investment and enhanced public-private partnerships. Leading the effort would be an organization similar to the CIC, a California Education Innovation Consortium.

In addition to radical changes in education, i2i argues that the California economy requires an innovative, more high-tech approach to what's become a perennial no-win dilemma: water. However, i2i envisions a way out through a 10, 25 and 50-year road map. Again calling for a mixture of public and private funding, i2i outlines how science and technology should play a bigger role in forecasting water availability and demand, ensuring water quality and restoring watersheds and riparian habitats. This can be
accomplished through a more aggressive use of satellite monitoring, membrane and filtration technology and
sensor technology.

A Water Road Map would be similar to the CCST's recently issued "California's Energy Future," which filled in numerous blanks about ways the state could fulfill its goal of mostly emissions-free energy generation by 2050.

The CCST is a nonpartisan, impartial, nonprofit created in 1988 by a unanimous vote of the California Legislature. It is designed to offer expert advice to the state government and to recommend solutions on science and technology-related policy issues. The CCST is governed by a board of directors composed of representatives from its sponsoring academic institutions, from the corporate and business community, as well as from the philanthropic community.

For more information, visit: http://www.ccst.us.