Appropriations: Agreement Reached On FY12 “Megabus” Appropriations; Way Forward Stalled

House and Senate conferees reached agreement on December 14, 2012 on the nine FY 2012 appropriations measures that have not yet been enacted, but how and when this so-called “Megabus” will be considered is tied up in negotiations between Republicans and Democrats on the handling of the bill dealing with the payroll tax cut, unemployment compensation, the “doc fix,” and other tax measures. With Senate Majority Leader Harry Reid deciding that the Senate wouldn’t consider the conference package until the payroll tax bill is dealt with, House Republicans countered by introducing the package (H.R. 3671) as a stand alone bill that the House may consider on Friday, December 16. The House Appropriators also introduced a separate bill (H.R. 3672) that provides a total of $8.1 billion disaster aid and recovery assistance for disaster emergencies. The current Continuing Resolution keeping the government funded expires at midnight on Friday. It is expected that Congress will act on FY12 funding before the Friday deadline, but it may take another CR of a few days to ensure that there is no government shutdown.

Whether the vehicle becomes H.R. 3671 or the Conference Report to accompany H.R. 2055, the package contains FY 2012 funding for the following federal agencies: Defense, Energy and Water, Financial Services, Homeland Security, Interior/Environment, Labor/Health and Human Services/Education, the Legislative Branch, Military Construction/Veterans Affairs, and State/Foreign Operations. The texts of both versions are virtually identical.

The legislation sticks to the overall base discretionary level of $1.043 trillion agreed to in the budget deal reached this past summer. When combined with the previous "minibus" (H.R. 2112/H. Rpt. 112-284) Appropriations bill enacted in November, total discretionary funding for FY 2012 will equal $1.043 trillion – $7 billion less than last year's level of $1.050 trillion and $98 billion less than the Administration's request.

This nine-bill legislation includes a total of $915 billion in regular security and non-security discretionary funding – $6 billion below the FY 2011 level for these agencies, and more than $70 billion below the President's requested levels.
Major funding in the bill includes:
- **Department of Defense** is provided with $518.1 billion in regular discretionary funding – an increase of $5.1 billion over last year’s level and a reduction of $20.8 billion below the President’s request. In addition, the bill includes $115 billion for Overseas Contingency Operations.

- **Energy & Water** programs will be funded at $32 billion – $328 million over last year’s level and $4.5 billion lower than the President’s request. Funding for the California Bay-Delta Restoration project is $39,651,000, about the same as last year. The DOE Office of Science is appropriated $4,889,000,000 – an increase of $46 million above last year’s level, and the Advanced Research Projects Agency-Energy is provided with $275,000,000. The Army Corps of Engineers is funded at $5 billion, an increase of $145 million above last year’s level and $429 million above the budget request.

- **Homeland Security** funding includes a total of $39.6 billion in regular discretionary funding – a decrease of $2 billion below last year’s level and $4 billion below the President’s request. Funding is provided for a total of 21,370 Border Patrol agents and 21,186 CBP officers and to maintain a level of not less than 34,000 detention beds. Border security fencing, infrastructure, and technology is funded at $400,000,000. The bill includes $4.7 billion in regular, base discretionary funding for FEMA – a decrease of $2.9 billion from last year’s level. The bill fully funds Emergency Management Performance Grants at $350 million and provides $675 million for firefighting grants. The bill provides $700 million in base funding for the Disaster Relief Fund (DRF). An additional $6.4 billion in emergency disaster assistance is provided in a separate Appropriations bill in the House’s most recently introduced three-bill package.

A total of $2.4 billion is provided for FEMA First Responder Grants, $1 billion below last year’s level and $1.5 billion below the President’s request. In addition, the bill requires increased reporting requirements and oversight of existing funds, consolidates disparate programs, and dedicates $100 million to areas with the greatest risk of terrorist attack. State and Local Programs, which includes such programs as the Urban Area Security Initiative and Port Security Grants are funded at $1,349,681,000.

**Interior and Environment** is funded at $29.2 billion, $384 million before FY11 and $2.1 billion below the Administration’s request. EPA’s budget would be cut by 3.5 percent – $14 million (-6%) in clean air and climate research programs; $12 million (-9.5%) in EPA’s regulatory development office; and $14 million (-5%) to air regulatory programs. In addition, the bill includes: a $101 million reduction for the Clean Water and Drinking Water State Revolving Funds, which received $6 billion in stimulus funding.

**Health and Human Services** receives a total of $69.7 billion in the bill, which is nearly $700 million below the last year’s level and $3.4 billion below the President’s budget request. Funding includes $3.5 billion for the Low Income Home Energy Assistance Program (LIHEAP) block grant – a decrease of $1.2 billion below last year and an increase of $909 million above the President’s budget request, and maintains the funding ratio between “cold weather” and “warm weather” states; $2.3 billion – $60 million above last year’s level – for the Child Care and Development Block Grant; and $8 billion for Head Start, which is $242 million above last year’s level, and $714 million for the Community Services Block Grant – an increase of $12 million above last year and $349 million above the President’s budget request.
The Department of Education is funded at $71.3 billion, which is $153 million below last year’s level and $9.3 billion below the budget request. Title I Grants are funded at $14.5 billion, which is $60 million above FY 2011. The maximum Pell grant award is continued at $5,550. Changes made by the bill in the program include: limiting grants per student to a maximum of six years/12 semesters; requiring a high school diploma, GED or completion of a homeschooling program to receive a Pell grant; slightly adjusting the minimum Pell grant; and reducing the income level below which a student will automatically receive the maximum Pell grant from $30,000 to $23,000. These reforms are estimated by the Congressional Budget Office to save more than $11 billion over the next 10 years. Race to the Top funding is reduced by more than 20%, from $698 million down to $550 million.

Other provisions include:
- A prohibition on the implementation of the H-2B Wage Methodology rulemaking;
- The bill also eliminates 23 programs totaling more than $240 million that the conferees found are ineffective, narrowly targeted to a small constituency, or have fulfilled their federal purpose.

The texts of the bills and summaries can be found at: [http://www.appropriations.house.gov](http://www.appropriations.house.gov).

**TAXES: PAYROLL TAX CUT BILL STALLED IN SENATE**

The House passed H.R. 3630, The Middle Class Tax Relief & Job Creation Act of 2011 on December 13, 2011 by a vote of 234 to 193. The bill is the Republican proposal to provide a one-year extension of the payroll tax deduction through 2012, extend unemployment benefits, and other tax extensions. The deduction, which is set to expire on December 31, reduces an employee’s Social Security payroll tax to 4.2 percent from 6.2 percent. The Social Security tax for self-employed individuals is also reduced two percent, from 12.4 percent to 10.4 percent.

The bill also extends for a year federal supplemental unemployment benefits for those whose state benefits run out. But the bill reduces by 40 weeks the total federal benefits potentially available, reducing combined federal and state benefits available to 59 weeks from 99 weeks. The bill also imposes new requirements on workers receiving benefits, such as participation in employment service programs and drug testing.

H.R. 3630 would also extend the so-called “doc fix” by two years, in order to prevent physicians from being subject to a Medicare payment cut of 27 percent next year.

Other provisions in the bill include extending the expensing of capital costs by small businesses, and extending the Temporary Assistance for Needy Families (TANF) program through FY 2012. The bill also reauthorizes broadband spectrum auctions and would make it easier to establish a nationwide interoperable broadband safety responders network.

The $200 billion cost of the GOP bill over 10 years is fully offset by other cuts in the federal budget. Some of the offsets would cut prevention and public health spending called for under the 2010 health care law, and would require wealthier Medicare beneficiaries to pay higher premiums. The bill also extends the pay freeze for federal employees and requires them to contribute more to their retirement accounts.

Despite consensus on extending the payroll tax deduction and unemployment benefits, the bill has been stalled in the Senate because of other provisions contained in it. It has would force the Obama Administration to approve a permit for the Keystone XL pipeline project. The 1,700 mile pipeline would carry crude oil from Canada’s Alberta province to U.S. refineries. Environmentalists oppose the pipeline and the U.S. State Department has put off making a final decision on the project. The bill also would prevent EPA from implementing proposed rules regarding emissions from incinerators and boilers (the Boiler MACT Standards). Senate Democrats and the President insist they cannot support the bill with those provisions included. Also, Senate Democrats want to offset the bill’s cost by imposing a surtax on individuals making more than a million dollars a year, which the Republicans oppose.
Negotiations are ongoing and as of Thursday, December 15th, party leaders in the Senate expressed hope that a compromise could be reached.


**DEFENSE: CONGRESS APPROVES DEFENSE AUTHORIZATION BILL**

Congress approved H.R. 1540, the National Defense Authorization Act (NDAA) for Fiscal Year 2012 (H. Rept. 112-329) this week and sent it to the President for signature. The House voted 283-136 to approve the bill on December 14, 2011, and the Senate followed on December 15th by a vote of 86-13. The President is expected to sign the bill, having lifted a veto threat after conferees made changes to provisions regarding the detention of terrorism suspects.

The bill would bring the total authorized funding to $554 billion for the base budget, and $115.5 billion for overseas contingency operations. The authorization includes $530 billion for the Department of Defense and $11.1 billion for the Department of Energy’s National Nuclear Security Administration.

Funding in the bill reflects the level of reductions in national security spending required under August’s budget agreement. Funding levels were reduced significantly from the original House-passed version to comply with the first tier of the Budget Control Act’s requirement to cut Defense spending by an estimated $465 billion over ten years. Authorized funding has been reduced $19 billion from the FY 11 authorization bill, $21.8 billion from the House-passed version of the FY12 bill, and $24.1 billion from the Administration’s budget request for FY 12.

The bill also makes substantive changes to hundreds of other budget items, including policies on detainees and sanctions against the Central Bank of Iran.

A few of the funding authorizations contained in the bill include:

- $2.4 billion for Army and Marine Corps Tactical Wheeled Vehicles.
- $449 million for the Army’s Ground Combat Vehicle program.
- $8.5 billion for F-35 Joint Strike Fighter development and procurement for the Navy, Marine Corps, and Air Force. The conference report requires the contract for the next 18 aircraft to be at a fixed price and mandates that the manufacturer assume responsibility for cost overruns. Also, about 20 percent of the funds allocated for fiscal 2012 will be held back until DOD reports on the aircraft’s operation and sustainment costs.
- $1.0 billion for EA/ 18Gs Growlers and $2.2 billion for F/A-18Es and Fs Super Hornets for the Navy.
- $2.1 billion for the MV-22 Ospreys for the Marine Corps and $339 million for CV-22s Ospreys for the Air Force.
- $1.16 billion for ground based mid-course missile defense and $2 billion for Aegis Ballistic Missile Defense.

The conference report also reauthorizes the Small Business Innovation Research (SBIR) and the Small Business Technology Transfer (STTR) programs for six years. The SBIR allocation will increase incrementally from 2.5 percent to 3.2 percent and the STTR allocation will increase incrementally from 0.3 percent to 0.45 percent. The conference agreement also expands the allowance of venture capital firms to include participation by firms that are majority owned by multiple hedge funds or private equity firms.

The bill also authorizes additional inspections of electronic components imported from countries that have been found to be the source of counterfeit parts in the Defense Department supply chain. And it would increase criminal penalties for suppliers found to be counterfeiting military goods or services.

The conference report and a detailed summary can be found at: http://armedservices.house.gov.
TRANSPORTATION: HOUSE COMMITTEE HOLDS HEARING ON CALIFORNIA HIGH SPEED RAIL

The House Transportation and Infrastructure Committee held an oversight hearing on December 15, 2011 titled California's High-Speed Rail Plan: Skyrocketing Costs and Project Concerns. Witnesses were heard on two panels. The first panel heard testimony from California Representatives, including: Rep. Kevin McCarthy (22nd District); Rep. Dennis Cardoza (18th District); Rep. Devin Nunes (21st District); Rep. Jim Costa (20th District); Rep. Dana Rohrabacher (46th District); and Rep. Loretta Sanchez (47th District). Panel two included testimony from: The Honorable Joseph Szabo, Administrator, Federal Railroad Administration; Mr. Roelof Van Ark, CEO, California High Speed Rail Authority; The Honorable Jerry Amante, Mayor of Tustin, California, and Member, Orange County Transportation Authority Board of Directors; The Honorable Ashley Swearengin, Mayor of Fresno, California; Mr. Greg Gatzka, Director, Kings County Community Development Agency; Ms. Elizabeth Alexis, Co-founder, Californians Advocating Responsible Rail Design; and Mr. Kole Upton, Vice President, Preserve Our Heritage.

Reps. Cardoza, Costa, and Sanchez each urged the Committee to support high-speed rail as a necessary answer to increasing transportation problems as California’s population grows to 60 million by 2050. Rep. Cardoza called it the right investment for the future, while Rep. Costa alluded to past leaders who in "tough times" did not succumb to "shortsightedness" but instead supported projects such as the transcontinental railroad, Hoover Dam, and the interstate highway system.

Rep. Sanchez testified on the transportation situation in southern California and argued that the state needs high-speed rail as a viable transportation alternative to travel by car and by air, both of which are especially problematic in the Los Angeles basin. She also noted that initial investment is never easy, but that in this case it would be worthwhile and widely used in Los Angeles.

Reps. Nunes, McCarthy, and Rohrabacher testified that the current high-speed rail project is not viable. Rep. Nunes argued that the project will not provide jobs, and that track route decisions were led by politics. He offered expansion of freight systems, to move trucks off highways and ease congestion, as an alternative.

Rep. McCarthy echoed that sentiment, stating that voters should be able to revote on the funding referendum, since it has changed substantially since its passage in 2009. He urged the panel to support H.R. 3143, which would provide time for more oversight by freezing federal funding for the project until September 2013. Rep. Rohrabacher stated that the state has other projects that are just as important - including water infrastructure - and that the uncertain rising costs of high-speed rail may hinder investment elsewhere.

Mr. Szabo emphasized that without high-speed rail, the state would have to spend $170 billion to achieve equal transportation capabilities using highways, air travel, and other existing transportation. Mr. Van Ark testified that starting construction in Central Valley is a "wise" decision as it is "the backbone" of the system. He also stated that the anticipated participation of private sector is based on sound predictions. Additionally, he outlined the new business plan for the project, calling it realistic and clear and emphasizing that within one year construction could be underway, with the project employing over 100,000 people overall.

Mr. Amante said he supports the latest business plan, calling it a marked improvement over the 2009 plan due to its blended approach. Ms. Swearengin also testified in support of the project, stating that it is cost effective and has a profitable business model, can be operated by the private sector, and does not need public subsidies for ongoing operations.

Mr. Gatzka and Mr. Upton both relayed to the Committee frustrations about how the High Speed Rail Authority has interacted with stakeholders. Mr. Gatzka stated that interactions with the Authority in his county have been through contracted right-of-way agents who "intimidate" citizens whose cattle, dairy, agriculture, or other property may be affected by imminent domain. Mr. Upton stated that the Authority has
negated the project's impact on farmland, proposing routes that "take out entire water systems." Instead of integrating the project with existing infrastructure, he stated that the Authority has not worked with the community properly.

For the testimony of all the witnesses, go to: http://www.transportation.house.gov.

ENVIRONMENT: SENATE SUBCOMMITTEE EXPLORES DOMESTIC AND INTERNATIONAL WATER SUPPLY ISSUES

On Thursday, December 8, 2011, the Senate Energy and Natural Resources Subcommittee on Water and Power held a hearing to hear testimony on opportunities and challenges to address domestic and global water supply issues.

Witnesses were heard on two panels. The first panel included: The Honorable Anne Castle, Assistant Secretary for Water and Science, Department of the Interior; Mr. L. Jerry Hansen, Principal Deputy Assistant Secretary for Installations, Energy, and Environment, U.S. Army; and Mr. Aaron Salzberg, Special Coordinator for Water Resources, U.S. Department of State. Panel two included: Dr. Peter Gleick, President, Pacific Institute, Oakland, CA; Mr. Tony Willardson, Executive Director, Western States Water Council, Murray, UT; Mr. Thomas Stanley, Chief Technology Officer, GE Water & Process Technologies; Ms. Melissa Meeker, Executive Director, South Florida Water Management District, West Palm Beach, FL; and Mr. Harry Stewart, P.E., Director, New Hampshire Department of Environmental Services, Water Division, Concord, NH.

Dr. Gleick classified international and domestic water issues as: 1) availability and use challenges; and 2) quality and contamination issues. He told the Subcommittee that the "failure to meet basic human needs for safe water and adequate sanitation for billions of people" is the world's greatest water problem. Even in the U.S., he testified that millions of Americans, "mostly in rural communities, are inadequately protected from water contamination or … pollutants." He cited California's Central Valley as a particular hotspot for water contamination; the area had 92 water systems contaminated by nitrates from the period of 2005-2008, a condition that potentially affected 1.3 million people. Dr. Gleick also testified on the natural ecosystem of the Sacramento-San Joaquin Delta, classifying it as "degraded" and "worsening."

Dr. Gleick suggested several improvements to water policy, including:
- Better federal agency coordination over water policy and updating of existing laws.
- Development of a national understanding of water supply, use, and flows.
- Creation of more appropriate economic strategies that can create more sustainable water-use patterns.
- Designing water policies and infrastructure to evolve with changing climatic conditions.
- Incorporation of nontraditional and decentralized solutions, such as water demand management, stormwater capture, recycled water, and greywater.
- Integration of water policy with the policies of energy, agriculture, and climate.

Other topics discussed at the hearing included:
- The impact of climate change on global water supply.
- The impact of climate change on national and international security associated with increasing competition and disputes about the allocation, use, and quality of freshwater.
- Pollutants, often from "non-point" sources such as agricultural run off.
- The necessity for more investment in water infrastructure.
- The understated connection between water and food and energy production.
- New technologies for water recovery, recycling, and energy production.

For more information, visit: http://energy.senate.gov.
RESOURCES: HOUSE SUBCOMMITTEE HOLDS HEARING ON EPA’S PROPOSED INTEGRATED PLANNING AND PERMITTING REGULATIONS

The House Transportation and Infrastructure Subcommittee on Water Resources and Environment held a hearing on Wednesday, December 14, 2011. The hearing reviewed the U.S. Environmental Protection Agency’s (EPA) proposed integrated planning and permitting regulatory prioritization effort under the Clean Water Act (CWA)

Witnesses were heard on two panels. Panel one included testimony from Mayor Jim Suttle, City of Omaha, testifying on behalf of the US Conference of Mayors; Mayor Joe Reardon, Mayor/CEO of the Unified Government of Wyandotte County and Kansas City, Kansas, testifying on behalf of the National League of Cities; Mr. David Williams, Director of Wastewater, East Bay Municipal Utility District, testifying on behalf of the National Association of Clean Water Agencies; and Nancy Stoner, Acting Assistant Administrator for Water, U.S. EPA and Cynthia Giles, Assistant Administrator for the Office of Enforcement and Compliance Assurance, U.S. EPA.

Ms. Stoner explained that the new "integrated approach is optional, and the responsibility to develop an integrated plan rests with municipalities. Once a municipality has developed a plan, the EPA and/or the state will work with the municipality to develop appropriate implementation requirements and schedules. The integrated planning approach, however, will not lower existing regulatory standards. Rather, the approach will take advantage of the flexibilities in existing EPA regulations." In addition, she noted that in addition to the recent memorandum, the EPA "is developing a framework document" that will fully explain the integrated planning concept. The EPA will also hold several public meetings in 2012 around the country to discuss a draft of the integrated planning framework and to gather feedback.

Mayor Suttle testified on the Conference of Mayors’ concern about the Combined and Sanitary Sewer Overflow (CSO/SSO) solutions and other unfunded water related mandates. In particular, he called unfunded mandates overly costly, prescriptive, and restrictive, giving examples on how non-affordability affects customers' yearly water bills. Regarding solutions, he testified that changing the quality enforcement process to a permit process as well as having the federal government pay for 50 percent of capital investments required by mandate, could have positive effects.

Mayor Reardon testified on fiscal situations in city governments. He stated that although the EPA integrated planning memorandum acknowledges the fiscal times, it still "comes at a time when the nation's cities are reeling from the effects of the economic recession." He argued that EPA's efforts to "impose costly federal regulatory requirements to carry out the objectives of the CWA" are actions "without regard for the efficacy of the regulation or a prioritization scheme." In particular, he showed that cities simply cannot afford the mandates. For example, he said the cost of meeting the combined sewer overflow mandate for Kansas City is four times the annual municipal budget.

However, Mr. Reardon testified that his group does support the EPA's steps "to establish a new policy framework whereby local governments can collaborate with their state and federal counterparts on an approach to regulatory prioritization based on principles of affordability and financial capability, while maximizing environmental benefit." Within this framework, he recommended, "the EPA framework include recognition that the primary implementation method or process for 'integrated plans' are the National Pollutant Discharge Elimination System (NPDES) permits and not administrative or civil enforcement."

Mr. Williams stated that there is "little doubt that the Nation’s water quality has improved as a result of the CWA. At the same time, however, “the command and control nature of the CWA has led to an accretion of costly regulations,” he said. Nevertheless, he stressed, “NACWA – and this is a point that must be clearly underscored – does not believe that regulatory rollbacks are appropriate and adheres to the principle that there must be no backsliding on improvements made to date under the CWA. The way we implement the CWA, however, must change.”
He concluded that an integrated planning approach should be focused on achieving four key policy goals:
1) Pursuing a watershed-based approach to solving water quality challenges through an adaptive management framework;
2) Recommitting all levels of government to new technology and pioneering innovation;
3) Entrusting local experts and leaders to use limited dollars to maximize a community’s water quality progress through a net environmental benefit approach; and
4) Developing a rational, holistic and flexible approach to assessing community affordability.
For more information, see: http://transportation.house.gov .

ENERGY: SENATE SUBCOMMITTEE WEIGHS TAX INCENTIVES FOR ALTERNATIVE ENERGY
On Wednesday, December 14, 2011, the Senate Finance Subcommittee on Energy, Natural Resources, and Infrastructure held a hearing entitled: Alternative Energy Tax Incentives: The Effect of Short-Term Extensions on Alternative Technology Investment, Domestic Manufacturing, and Jobs.
The hearing focused on the following: 1) review of short-term extensions and expiration of alternative energy tax incentives, 2) understanding how they have affected the alternative energy industry, and 3) how to address policy or process shortcomings in a meaningful and timely manner.
Witnesses included: Margo Thorning, Ph.D., Senior Vice President and Chief Economist, American Council for Capital Formation; Martha Wyrsh, President, Vestas-American Wind Technology, Inc.; Molly Sherlock, Analyst in Economics, Congressional Research Service; Paul Soanes, President and CEO, Renewable Biofuels, Inc.; and Will Coleman, Partner, Mohr Davidow Ventures.
Ms. Sherlock outlined several temporary tax incentives that will expire soon, including the production tax credit (PTC) for wind, and energy, fuel, and technology incentives for renewable fuels, alternative technology vehicles, and energy efficiency, as well as biodiesel, renewable diesel, and ethanol. She said that temporary tax incentive provisions could provide economic stimulus, prevent backsliding in energy industries, and potentially create jobs. But she cautioned that very few “temporary” tax incentives are actually allowed to expire and these types of extensions complicate the tax code. Furthermore, they can also create “real economic problems” as "the uncertainty associated with temporary tax incentives can distort economic decision making."
Mr. Coleman offered several of what he called "relatively simple ways to reform the tax code." He stated that "ideally the tax code would be more consistent across both conventional and emerging energy categories" providing "consistency, technology neutrality, and flexibility over time and to encourage investment in new and improved technologies." Most importantly, he testified, "the tax code needs to address the scaling challenges associated with new energy technologies."
One specific approach he outlined "would target early manufacturing of technologies and then roll off as these technologies hit commercial scale. Such a volume based tax credit could be provided to individual companies as their technologies scaled and only to the point where they should achieve costs that would be competitive in the marketplace."
Mr. Coleman testified that a credit with these characteristics could be made permanent, creating certainty without creating dependence.
Other issues discussed included:
- The existence of manufacturing companies which are prepared to invest in the U.S. but are hesitant due to the lack of policy stability.
- The belief that the U.S. is "behind" other nations in wind energy, and risks falling further behind without long term policy mechanisms to drive new development and further cost.
- Extension of the production tax credit for biodiesel and the extension's importance to the U.S. biofuel industry.
AGING: SENATE SPECIAL COMMITTEE HOLDS FORUM ON AGING IN AMERICA

On December 14, 2011, the Senate Special Committee on Aging held a forum titled Aging in America: Future Challenges, Promise and Potential, celebrating 50 years of accomplishments and contributions of the Committee. The Aging Committee's Staff Director Deb Whitman moderated the forum.

Witnesses included: Kathy Greenlee, Assistant Secretary, Administration on Aging, US Department of Health and Human Services; Richard Hodes, Director, National Institute on Aging, Bethesda, MD; and Laura Carstensen, Professor of Psychology and the Fairleigh S. Dickinson Jr. Professor in Public Policy, Stanford University, Stanford, CA.

Ms. Greenlee testified about the needs of seniors and progress made in the last five decades, where the nation is today, where it will likely be in the next two decades, and a few suggestions for improvement. Specifically, she testified on the changes in the numbers and demographics of the aging baby boomer generation and the challenges and opportunities the country faces in response. She also offered three changes to improve care. First, the nation should improve prevention services across the lifespan. Second, care should continue its holistic approach through the integration of acute, long-term and community-based care services. Finally, the nation must continue to invest in community and person-centered "age in place" services that can meet the needs of an increasingly diverse population.

Ms. Carstensen testified on the history of aging, emphasizing that elongated life spans are unique to the 21st century and an opportunity "to redesign lives in ways that improve quality at all ages." She offered three suggestions to improve the quality of life for seniors. These include: programmatic thinking about investments throughout life that will produce healthy people at all ages, including seniors; improving the care and autonomy of older disabled adults; and, most important, building infrastructures that "tap talents and potential contributions that healthy older people can make to societies."

For more information, visit http://aging.senate.gov.

REPORT: PPIC SURVEY SHOWS MOST CALIFORNIANS FAVOR GOVERNOR'S TAX PROPOSAL

The Public Policy Institute of California (PPIC) released another Statewide Survey on December 12, 2011 on Californians and Their Government.

A significant finding of the survey is that 65 percent of adult Californians "favor Governor Jerry Brown's proposal to temporarily increase the state sales tax and the income taxes of high earners," while 28 percent oppose it. The Governor hopes to put the proposal on the November ballot. The proposal would raise $7 billion per year by increasing sales taxes by a half-cent for a period of four years and raising income taxes on those earning more than $250,000 annually for a period of five years. Extra revenue would go to K-12 schools, which may face "trigger cuts" in the new year if projected revenues fall short (higher education, health and human services, and public safety also stand to be cut).

The survey also notes that most Californians are pessimistic about the state's fiscal future, but that they hold more hope for themselves in the coming year than they do for the state's economy. Also, the survey found that Californians are "more likely to see themselves as 'have-nots' than 'haves'," a trend that is opposite that of a Pew Research Center/Washington Post national survey.

Other findings include:
- 48 percent of likely California voters approve of the President's performance, while 47 percent disapprove.
- 20 percent of Californians say they approve of the way Congress is handling its job.
- 93 percent of Californians say the state's budget situation is a problem.
- 62 percent say that local government services have "been affected a lot by recent budget cuts."
- 41 percent prefer to close the budget gap with a mix of spending cuts and tax increases, while 30 percent prefer to close it mainly with spending cuts and 11 percent say mostly tax increases.
- 74 percent say they trust the state government to do what is right only some of the time or never.
- 42 percent approve of the job the governor is doing (30 percent disapprove, 28 percent are not sure).
- 25 percent approve of the job the state legislature is doing.
- 83 percent say the amount of money that state and local governments spend on public employee pensions or retirement systems is a concern (44 percent big problem, 39 percent somewhat of a problem).

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