ELECTIONS: CA'S REDISTRICTING AND OPEN PRIMARY SETS UP CHANGES FOR DELEGATION

California's primary on June 5, 2012, saw the results of two major changes to the election process in the state. First, the redistricting done by the independent citizens commission resulted in several districts being withdrawn, throwing some incumbent members of the congressional delegation into the same district to fight it out, and leading others to choose to resign. Second, California's new open primary -- dubbed the "jungle primary" by some pundits -- ended party specific primaries, allowing independents (officially termed "No Party Preference") to cast ballots, and putting the top two vote getters in the party, regardless of party affiliation, on the general election ballot in November.

Some races may also have been affected by the low voter turnout in the state -- estimated at about 15 percent. The unofficial results of some of the races are discussed below.

In retiring Rep. Wally Herger's redrawn 1st District, rice farmer and State Senator Doug LaMalfa (R) will square off against attorney Jim Reed (D). The newly configured 2nd District, vacated by Rep. Lynn Woolsey, will see Assemblyman Jared Huffman (D) take on investment banker Daniel Roberts (R).

In the new 8th District, retiring Rep. Jerry Lewis's redrawn seat, two Republicans will face off in the general election -- Assemblyman Paul Cook and homebuilder Gregg Imus. In the newly drawn 21st District, Republican dairyman David G. Valadao, who took the primary with 57 percent of the vote will be challenged again by businessman Democrat John Hernandez.

In the 26th District, being vacated by retiring Rep. Elton Gallegly, State Senator Tony Strickland (R) will take on Assemblywoman Julia Brownley (D) in the general election. In the 29th District in Los Angeles County, independent David R. Hernandez (NPP) will again take on Democrat Tony Cardenas, who won 64% of the vote in the primary.
In the closely watched 30th District, incumbents Brad Sherman (D) and Howard Berman (D) will face off again in the general after pushing aside five other candidates in the primary, where Sherman took 42% of the vote to Berman's 32%. With Rep. David Dreier retiring, Rep. Gary Miller (R) will face off against another Republican in November, former California State Senate Republican Leader Bob Dutton, after the two defeated four Democrats vying for the seat. The November election in the 41st District will see Riverside County Supervisor John Tavaglione (R) take on teacher Mark Takano (D) again.

In another closely watched race, incumbent Democrats Janice Hahn and Laura Richardson will meet again in November in the newly drawn 44th District contest. Hahn beat out Richardson 59.8% to 40.2% in this week's primary. In the 47th District, State Senator Alan Lowenthal (D) will match up against Republican Gary DeLong after the Long Beach City Councilman bested former Rep. Steve Kuykendall (R) for second place. Finally, for the 51st District seat vacated by Rep. Bob Filner (D), State Senate Democrat Juan Vargas will take on Michael Crimmins, a former Marine Corps officer and educator.

In the Senate race, Sen. Dianne Feinstein easily beat out a large field of contenders, garnering 49.2% of the vote. She will be challenged by second-place finisher Elizabeth Emken (R) in November. In his bid for the Mayoral race in San Diego, retiring Rep. Filner will again challenge San Diego City Councilman Carl DeMaio in November.

For information on all the races in the primary, go to the California Secretary of State's website at: http://vote.sos.ca.gov/.

**APPROPRIATIONS: HOUSE PASSES 2013 ENERGY AND WATER APPROPRIATIONS BILL**

The House on Wednesday, June 6, 2012, approved the Energy and Water Development and Related Agencies Appropriations bill for fiscal year 2013 (H.R. 5325/H.Rpt. 112-462). Passed by a vote of 255-165, the bill provides annual funding for a variety of agencies and programs that fall under the Department of Energy (DOE) and other related agencies. In total, the bill appropriates $32.1 billion, a figure about $965 million under the President's 2013 budget request.

During debate on the floor, the House passed a total of 32 amendments, including the following:

- **Rep. Young (AK)** - The amendment prohibits funds for introducing salmon into the San Joaquin River. The amendment was adopted on a voice vote.
- **Rep. Holt (NJ)** - The amendment adds $2 million to the Corps of Engineers Construction account, offset by a cut to Army Corps expenses. These funds would help to address numerous flood control needs across the country. The amendment was adopted on a voice vote.
- **Rep. Cleaver (MO)** - The amendment increases funding for the Corps of Engineers Flood Control and Costal Emergencies account by $3 million, offset by a cut to Corps expenses. Some areas of the country have suffered from natural disasters, but are not covered under "Stafford Act" eligibility for emergency funding - this amendment provides additional funds to repair areas that were not considered eligible under the Act for disaster relief funds. The amendment was adopted on a voice vote.
Rep. Connolly (VA) - The amendment eliminates the Oil Shale research program ($25 million) and transfers the funding to the spending reduction account. The amendment passed on a vote of 208-207-1.

Rep. Shimkus (IL) - The amendment increases funding for the Yucca Mountain licensing process by $10 million, offset by a cut to departmental administrative costs. This additional funding will help the licensing process move toward completion, and will help keep Yucca Mountain as a viable option for future use. The amendment passed on a vote of 326-81.

Rep. Reed (NY) - The amendment increases Non-Defense Environmental Clean-up by $36 million, offset by a cut to the National Nuclear Security Administration administrative account. The amendment was adopted on a vote of 223-195.

Rep. Cravaack (MN) - The amendment prohibits funds to expand authorized use of the Harbor Maintenance Trust Fund. The amendment was adopted on a voice vote.

Rep. Jordan (OH) - The amendment prohibits the use of funds to issue or administer new loan guarantees for renewable energy systems, electric power transmission systems, or leading edge biofuel projects. The amendment was adopted on a voice vote.

Rep. Brooks (AL) - The amendment prohibits the Advanced Research Projects Agency-Energy from using funds for certain advertising, promoting the sale of products or services, or raising capital in violation of current regulations. The amendment was adopted on a voice vote.

Rep. Flake (AZ) - The amendment prohibits DoE from using funds for the Wind Powering America Initiative. The amendment was adopted on a voice vote.


**APPROPRIATIONS: HOUSE SUBCOMMITTEE APPROVES 2013 AGRICULTURE SPENDING BILL**

On Wednesday, June 6, 2012, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration approved the draft fiscal 2013 spending bill by voice vote. The bill would provide a total of $19.4 billion in discretionary spending for the Agriculture Department, the Commodity Futures Trading Commission (CFTC) and the Food and Drug Administration (FDA). The total appropriation is approximately 2 percent - or $365 million - lower than the amount enacted in 2012 and about $1.7 billion below the 2013 budget request.

The mark up debate centered mostly on the CFTC and its proposed cuts, which in the end amounted to about 12 percent of its current spending levels. In 2013, the CFTC would receive $180 million, a figure that represents a cut of $25 million and falls about 40 percent short of the President's $308 million request.

Funding for the Food for Peace program, which ships food to other countries, was also cut. These programs would receive more than $1 billion in 2013, a figure that is about $316 million below 2012 levels and below the budget request of $250 million. According to U.S. Agency for International Development (US AID), more than 66 million people were assisted through the program in the last year. Rep. Sam Farr (Carmel) said the cuts come at a particularly bad time when "There are a lot of food shortages in the world."

Among the highlights in the draft bill released by the Appropriations Committee before the markup are:
The agencies and programs in the bill will receive a total of $140.7 billion in both discretionary and mandatory funding, a reduction of more than $3.7 billion from the President's request.

According to the Committee, the production, promotion, research and marketing programs funded will help support over $134.5 billion in U.S. agricultural exports this year - the second-highest level on record.

**Food and Nutrition Programs** - The legislation contains discretionary and mandatory funding for food and nutrition programs within the Department of Agriculture.

- **WIC** - The bill provides $6.9 billion in discretionary funding for WIC, $303.5 million above the 2012 level and $119 million below the request. Language is included for oversight and monitoring requirements to ensure the proper use of funds, as well as food price tracking to ensure necessary resources continue serving those eligible for program benefits, according to Committee documents.

- **Child nutrition programs** - The bill provides for $19.7 billion in mandatory funding - which is outside the discretionary funding jurisdiction of the Appropriations Committee - for child nutrition programs. This is $1.5 billion above last year's level and $38 million below the President's request. This includes funding for an estimated 5.7 billion free or reduced-price school lunches and snacks for children that qualify for the program.

- **SNAP** - The bill provides for $80 billion in required mandatory spending - which is outside the discretionary funding jurisdiction of the Appropriations Committee - for the Supplemental Nutrition Assistance Program (SNAP). This is $408 million below last year's level and $2 billion below the President's budget request. The legislation also includes new reporting requirements to help eliminate waste, fraud, and abuse in the program, such as a requirement for states to include the fraud hotline number on all EBT cards, a directive to the Secretary of Agriculture to ban fraudulent vendors, and a requirement for states to share data with enforcement agencies.

**Agriculture Research** - The bill provides $2.5 billion for agriculture research programs. This is a reduction of $35 million below last year's level. This funding will support research on crop diseases, food safety, and water quality. The bill also maintains investments in the nation's land-grant colleges and universities.

- **Animal and Plant Health** - The legislation includes $787 million - $33 million below last year's level - for the Animal and Plant Health Inspection Service. This funding will support programs to help control or eradicate plant and animal pests and diseases.

- **Conservation Programs** - The bill provides $812 million - a decrease of $16 million below last year's level - for the Natural Resources Conservation Service to help farmers, ranchers and private forest landowners conserve, enhance, and protect their land. The bill also provides $14.7 million in conservation funding for dam rehabilitation to help small communities ensure their small watershed projects meet current safety standards.

**Rural Economic Development** - The bill provides a total of $2.1 billion for rural development programs - a decrease of $180 million from last year's level. These programs support basic rural infrastructure, provide opportunities for rural businesses and industries, and help balance local housing markets to create an environment for job and economic growth.

**Business and Industry Loans** - The legislation includes $65.3 million - $9.5 million below last year - for the rural business and industry loan program. This funding will support $661 million in loans to help small businesses in rural areas.

**Rural Infrastructure** - The legislation includes investments in basic rural infrastructure needs. This includes $484 million for rural water and waste programs, $7.3 billion for rural electric and
telephone infrastructure loans, $15 million for the Distance Learning and Telemedicine programs, and $21 million for rural broadband loans.

**Rural Housing Loans and Rental Assistance** - The bill provides a total of $24.9 billion in loan authority for the Single Family Housing direct and guaranteed loan programs, which provide low-income rural families with home loan assistance. In addition, $886 million - $18 million below last year's level - is provided for rental assistance to provide affordable housing for low-income families and the elderly in rural communities.

**Food Safety and Inspection Service** - The legislation includes $996 million for food safety and inspection programs - which is equal to the President's budget request and a decrease of $9 million below last year's level. These mandatory inspection activities help to maintain the safety and productivity of the country's $832 billion meat and poultry industry. The Committee indicated that the funding in the bill will maintain meat, poultry, and egg product inspection and testing activities and support the implementation of a poultry inspection program to improve safety and inspection efficiency. This voluntary inspection program is expected to reduce government costs by $85-$95 million over three years, and reduce costs to private businesses by a total of $250 million, according to the Committee.

**Food and Drug Administration (FDA)** - The FDA receives a total of almost $2.5 billion in discretionary funding in the bill, a cut of $16.3 million, or 0.7%, below last year's level. Total funding for the FDA, including user fees, is $3.8 billion.

**Farm Service Agency (FSA)** - The legislation provides $1.5 billion for the FSA, which is $23.8 million below last year's level. This funding will support the delivery of certain farm, conservation, loan, and emergency programs for American farmers and ranchers.

**Commodity Futures Trading Commission (CFTC)** - Included in the bill is $180 million for the CFTC, a cut of $25 million below last year's level and $128 million below the President's budget request.

For the text of the subcommittee draft bill please visit:

The California Institute will prepare a more detailed report from a California perspective which will be available on its website in the near future.

**Appropriations: Institute Reports on House and Senate FY13 Homeland Security Appropriations Available on Website**

A California-oriented report on the House FY13 Appropriations for the Department of Homeland Security is now available on the Institute's website at:
http://www.calinst.org/pubs/dhs13house.shtml or in PDF at:

A comparable report on the Senate FY 13 Appropriations for the Department of Homeland Security is available at: http://www.calinst.org/pubs/dhs13senate.shtml or in PDF at:

**Homeland Security: House Committee Approves Port Security Bill**

The House Homeland Security Committee on June 6, 2012 reported H.R. 4251, the “Securing Maritime Activities through Risk-based Targeting (SMART) Port Security Act,” by voice vote. The bill is aimed at reforming and enhancing certain port security programs through increased efficiency and risk-based coordination within the Department of Homeland Security.
Under the bill, the Department of Homeland Security is tasked with developing a strategy, within its own divisions and in conjunction with other government agencies, to better coordinate maritime security efforts. As part of the plan, DHS is also required to work with private stakeholders and state and local entities to facilitate better security.

In adopting a manager’s amendment at the markup, the Committee struck language that would have reauthorized the Port Security Grant Program. The program funds projects to enhance infrastructure security. Chairman Peter King (NY) acknowledged the inclusion of the reauthorization may have slowed down House floor consideration of the bill.

The bill does, however, extend for two years the time that workers can continue to use their current Transportation Worker Identification Credential (TWIC) card. The cards began being issued five years ago, with a five year expiration date. The biometric identification program intended to read the cards is way behind schedule and the first cards issued are beginning to expire. Having to renew the cards could cost workers over $100 each.

For more information, go to:

**TAXES: HOUSE APPROVES REPEAL OF MEDICAL DEVICE TAX**

By a vote of 270-146, the House on June 7, 2012 passed a bill that contained H.R. 436, the “Protect Medical Innovation Act of 2011,” which would repeal a tax placed on medical device manufacturers in the 2010 health care act. The legislation was included in a package of three tax bills that the Ways and Means Committee approved last week. The other two measures relate to Health Savings Accounts and Flexible-spending arrangements (FSAs).

The medical device tax was included as an offset to raise $20 billion over ten years to pay for other provisions in the health care law. After December 31, 2012, a tax of 2.3 percent of the sale price is set to be imposed on the sale of medical devices. Proponents of the bill argue that the impending tax is already leading device manufacturers and importers to forego hiring new employees, and in fact may be causing layoffs and undermining the U.S. industry’s competitiveness. Opponents argue that the impact of the tax on manufacturers is more than offset by the benefits that will accrue from having millions more covered by insurance under the act.

The revenue loss in the bill will be paid for by repealing limits placed on recouping overpayments of subsidies given to reduce the premium costs of lower-income individuals and families.

**HOUSING: HOUSE SUBCOMMITTEE HOLDS OVERSIGHT HEARING ON MULTIFAMILY INSURANCE PROGRAMS**

On Thursday, June 07, 2012, the House Financial Services Subcommittee on Insurance, Housing and Community Opportunity held a hearing on Oversight of Federal Housing Administration's Multifamily Insurance Programs.

Witnesses included: Ms. Marie Head, Deputy Assistant Secretary, Office of Multifamily Housing Programs, Office of Housing, Federal Housing Administration (FHA); Mr. Michael Bodaken, President, National Housing Trust; Ms. Sheila Crowley, President and Chief Executive Officer, National Low Income Housing Coalition; Ms. Mary Kenney, Executive Director, Illinois Housing Development Authority, on behalf of the National Council of State Housing Agencies; Mr. Rodrigo López, President and Chief Executive Officer, AmeriSphere, on behalf of the Mortgage Bankers Association; Mr. Richard L. Mostyn, Vice Chairman and Chief Operating Officer, The Bozzuto Group, on behalf of the National Multi Housing Council; Mr. Robert F. Nielsen, Immediate Past Chairman,
Topics discussed included:
- Two Recovery Act programs, the Tax Credit Assistance Program (TCAP) and the Treasury Section 1602 program, which provide direct capital support to low-income housing developments that are threatened due to collapse in investor demand for Low Income Housing Tax Credit program.
- FHA’s General and Special Risk Insurance Fund (GI/SRI), which helps the country meet demand for safe, decent and affordable housing by facilitating financing to develop, rehabilitate and refinance multifamily rental housing.
- Increasing demand for FHA insurance to cover new construction and refinancing of multifamily properties. Demand increased more than five-fold from 2008 to 2011, rising from $2.3 billion in FY 2008 to $12.43 billion in FY 2011.
- The benefits of FHA insured multifamily developments on communities, including expansion of affordable housing options, increased economic development, and the creation of jobs.
- Steps taken by the FHA, beginning in 2008, to improve its risk management capabilities and processes to ensure the ongoing solvency of the FHA insurance funds. Within multifamily programs, these improvements include updated underwriting standards and heightened qualifications, the Breaking Ground: Delivering Results program (reduced loan application processing times), a new loan committee approval process, and adjusting premiums.
- The role of the FHA in insuring multifamily low income housing projects under the Department of Housing and Urban Development's (HUD) Project-Based Section 8 housing portfolio. Fully 40 percent of the HUD Project-Based Section 8 portfolio is FHA-insured, totaling $13.8 billion in outstanding debt insured by the FHA.
- The newly announced HUD 223(F) Low Income Housing Tax Credit (LIHTC) program (the so called "Super F" program), which aims to streamline application and processing of FHA-insured mortgages for properties with equity from the LIHTC.
- Statistics about renters in the U.S., including geographical and demographic trends and the rise in the number of Americans renting since the beginning of the financial crisis in 2007.

For more information:

**ENERGY/ENVIRONMENT: SENATE SUBCOMMITTEE EXAMINES ISSUES SURROUNDING NUCLEAR WASTE STORAGE AND MANAGEMENT FACILITIES**

On Thursday, June 7, 2012, the Senate Environment and Public Works Subcommittee on Clean Air and Nuclear Safety held a hearing titled *Recommendations from the Blue Ribbon Commission on America’s Nuclear Future for a Consent-Based Approach to Siting Nuclear Waste Storage and Management Facilities*.

Witnesses were heard on two panels. The first panel included: Lieutenant General Brent Scowcroft, President, The Scowcroft Group; and Professor Per Peterson, Chair, Department of Nuclear Engineering, UC Berkeley. Panel II included: Mr. Geoffrey Fettus, Senior Project Attorney, Natural Resources Defense Council; Mr. David Wright, President, National Association of Regulatory Utility Commissioners; Mr. Eric Howes, Director of Government and Public Affairs, Maine Yankee; Dr. Daniel Metlay, Senior Professional Staff, U.S. Nuclear Waste Technical Review Board; and Mr. S. Andrew Orrell, Director of Nuclear Energy & Fuel Cycle Programs, Sandia National Laboratories.
Lt. Gen. Scowcroft and Professor Peterson offered their testimony jointly, saying "Our charge was to conduct a comprehensive review of policies for managing the back end of the nuclear fuel cycle and to recommend a new strategy ... We came away from our review frustrated by decades of unmet commitments to the American people...". Calling the nation's nuclear waste management policy "completely broken down," the pair cited the eight recommendations found in the Commission's final report (the Report). Further, the Commission is "certain [the recommendations] are all necessary to establish a truly integrated national nuclear waste management system, to create the institution leadership and wherewithal to get the job done, and to ensure that the United States remains at the forefront of technology developments and international responses to evolving nuclear safety, non-proliferation, and security concerns."

The eight recommendations, and described in their testimony, are as follows:

- A new, consent-based approach to siting future nuclear waste management facilities.
- A new organization dedicated solely to implementing the waste management program and empowered with the authority and resources to succeed.
- Access to the funds nuclear utility ratepayers are providing for the purpose of nuclear waste management.
- Prompt efforts to develop one or more geologic disposal facilities.
- Prompt efforts to develop one or more consolidated storage facilities.
- Prompt efforts to prepare for the eventual large-scale transport of spent nuclear fuel and high-level waste to consolidated storage and disposal facilities when such facilities become available.
- Support for advances in nuclear energy technology and for workforce development.
- Active U.S. leadership in international efforts to address safety, non-proliferation, and security concerns.

Mr. Orrell stated that a "plethora" of options for long-term waste storage exist, and that he and his "colleagues are confident there are a number of technical solutions available" geographically in the U.S. But the challenge is "to site and develop facilities that are socially and politically acceptable to both local communities, host states, and the federal government." He called the Commission's recommendation "a consent-based, staged and adaptive management approach . . . intended to provide all parties a siting experience that is understood looking forward as well as in hindsight."

Mr. Orrell further explained the history, success, and "important lessons" to be learned from a past project, the Waste Isolation Pilot Plant (WIPP), which he called "replicable." He identified three main questions that he believes remain unanswered by the Report and which without resolution could cause problems to "any consent-based siting process." These questions are:

- Who will be the federal representative of a consent-based negotiation, the Department of Energy or a new government-chartered corporation?
- What are the disposal standards and regulations that will govern safety?
- Is there confidence that a geologic repository for permanent disposal of spent nuclear fuel and high-level waste will be realized in a timely manner?

For more information:
BANKING: HOUSE SUBCOMMITTEE HOLDS HEARING ON CYBERSECURITY THREATS TO CAPITAL MARKETS AND CORPORATE ACCOUNTS

On Friday, June 1, 2012, the House Financial Services Subcommittee on Capital Markets and Government Sponsored Enterprises held a hearing titled Cyber Threats to Capital Markets and Corporate Accounts.

Witnesses included: Ms. Michele Cantley, Senior Vice President and Chief Information Security Officer, Regions Bank, on behalf of the Financial Services-Information Sharing and Analysis Center; Mr. Mark G. Clancy, Managing Director, Corporate Information Security Officer, Depository Trust and Clearing Corporation; Mr. Mark Graff, Chief Information Security Officer, NASDAQ OMX; Mr. Paul Smocer, President, BITS, Technology Policy Division, Financial Services Roundtable; Mr. Errol S. Weiss, Director, Cyber Intelligence Center, Citi, on behalf of the Securities Industry and Financial Markets Association; and, Mr. James Woodhill, YourMoneyIsNotSafeInTheBank.org.

Topics discussed included:
- The Financial Services Information Sharing & Analysis Center (FS-ISAC) and its function as a "trusted third party that provides anonymity to allow members to submit threat, vulnerability and incident information in a non-attributable and trusted manner so information that would normally not be shared is instead provided for the good of the sector, the membership and the nation."
- The basics of corporate account takeover, or the "unauthorized use of valid online banking credentials, typically obtained via malicious software ("malware") that infect customers' workstations, laptops or computer networks." Also discussed was the prevalence of the most popular form of fraud - phishing - and other types, such as malvertising.
- The formation in 2010 of the FS-ISAC's Account Takeover Task Force (ATOTF), and the roles banks, law enforcement, customers, internet service providers, and new ventures such as the BITS/FSISAC Trusted Email Registry project play in protecting against this type of fraud.
- Cybersecurity Threat Actors: Criminals, Hackivists, Espionage and War (CHEW) that increasingly pose risks to capital markets in that they target confidential personal information, attempt to disrupt the ability to perform market functions, and cause loss of financial information integrity.
- The importance and nature of public-private cooperation in determining and managing cybersecurity risk and industry coalitions such as the Financial Services Sector Coordinating Council for Critical Infrastructure Protection and Homeland Security (FSSCC).
- NASDAQ OMX's cybersecurity efforts.
- The lack of protection in certain instances for the consumer, including the gaps in "shared responsibility" clauses used by banks and endorsed by the American Bankers Association.


HOMELAND SECURITY: HOUSE SUBCOMMITTEE HOLDS HEARING ON THE STATE OF DISASTER AND EMERGENCY PREPAREDNESS IN THE U.S.


Witnesses were heard on two panels. Panel I included: The Honorable Tim Manning, Deputy Administrator, Protection and National Preparedness, Federal Emergency Management Agency (FEMA), U.S. Department of Homeland Security (DHS), and Mr. Stanley J. Czerwinski, Director,
Intergovernmental Relations, U.S. Governmental Accountability Office (GAO). The second panel included: Mr. John Madden, Director, Alaska Division of Homeland Security & Emergency Services, Testifying on behalf of the National Emergency Management Association; Mr. Mike Sena, Deputy Director, Northern California Regional Intelligence Center, Testifying on behalf of National Fusion Center Association; and, Dr. Georges C. Benjamin, M.D., Executive Director, American Public Health Association.

In his opening statement, Subcommittee Chairman Gus Bilirakis (FL) said the focus of the hearing was to hear testimony from homeland security professionals about the National Preparedness Report (the Report) in order for the Subcommittee to get an "accurate picture of the level of preparedness across the country." Additionally, he asked witnesses to speak to "the strengths of this report and how could future iterations be enhanced to provide a better picture of where we stand and where we need to go in the future," in regards to reporting on the nation's preparedness.

Items discussed at the hearing included:

- Statistics about: confidence regarding preparedness within different levels of government; public warning capabilities through radio communications nationwide; and the growth in number of special emergency teams and their geographic distribution.

- The National Preparedness Report's purpose, which is to report on the nation's progress using the National Preparedness System to achieve the 31 core preparedness areas identified by the National Preparedness Goal (delivered to the President in 2011).

- Strengths identified in the Report, including Planning, Operational Coordination, Intelligence and Information Sharing, Environmental Response/Health and Safety, Mass Search and Rescue Operations, Operational Communications, and Public Health and Medical Services.

- Weaknesses cited in the Report, including cyber preparedness, which has received more focus federally than at the state or local levels. State and local governments have also invested less than one percent of DHS non-disaster preparedness assistance from FY 2006 to FY 2010 to recovery-focused capabilities.

- The importance of DHS' grants programs, such as the Homeland Security Grant Program, to building nationwide preparedness.

- The link between investment and improved capability, which also may reflect different or conflicting priorities, set by state and local governments.

- Threat and Hazard Identification and Risk Assessments (THIRA).

- The National Disaster Recovery Framework (NDRF), which aims to help federal agencies and others to more effectively organize in order to promote recovery.

- The importance of Fusion Centers, which are designed to analyze national threat information in a local context, disseminate relevant and actionable information to state and local decision makers, and pass critical state and local information up to Federal partners in the intelligence community (while protecting the privacy, civil rights, and civil liberties of American citizens).

For more information, go to:

BRIEFING: INSTITUTE TO HOST NEXT10 BRIEFING ON ALLOCATING CA’S CAP-AND-TRADE REVENUES

The California Institute will host a congressional staff briefing featuring a presentation by Next 10 and Resources for the Future on California's cap-and-trade program and how the revenues might be
allocated. The briefing, entitled *Allocating Revenues from California’s Cap-and-Trade Program*, will be held on Wednesday, June 13, 2012, from 12:00 - 1:00 P.M. in Room B-338 Rayburn House Office Building, Washington, D.C. Lunch will be served.

The briefing will be presented by F. Noel Perry, Founder of Next 10, and Dallas Burtraw, Senior Fellow and Darius Gaskins Chair at Resources for the Future. It will include an overview of California's carbon trading program, current information on the proceedings, and new research findings on legal and economic outcomes from different scenarios for spending cap and trade revenue.


Next 10 is a nonpartisan nonprofit organization focused on innovation and the intersection between the economy, the environment, and quality of life issues for all Californians. Resources for the Future is a nonprofit and nonpartisan organization that conducts independent research - rooted primarily in economics and other social sciences - on environmental, energy, natural resource and environmental health issues.

To attend the briefing, please RSVP to the California Institute at 202-785-5456 or [sullivan@calinst.org](mailto:sullivan@calinst.org).

For assessing compliance with Congressional gift ban rules, note that the California Institute is a 501(c)(3) charitable nonprofit organization that employs no lobbyists. We anticipate this will be a widely attended event.