California Capitol Hill Bulletin

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To expand communications between Washington and California, the California Institute provides periodic news bulletins regarding current activity on Capitol Hill and other information that directly impacts the state. Bulletins are published weekly during sessions of Congress, and occasionally during other periods.

CONGRESS: COMMITTEE RANKING MEMBERS SELECTED

Minority Leader Nancy Pelosi (San Francisco) announced the Democrats who will serve as Ranking Members on the House Committees in the 113th Congress. The House Democratic Caucus approved the selections on December 5, 2012.


The other Ranking Members are as follows:
- Agriculture – Collin Peterson of Minnesota
- Appropriations – Nita Lowey of New York
- Armed Services – Adam Smith of Washington
- Budget – Chris Van Hollen of Maryland
- Foreign Affairs – Eliot Engel of New York
- Homeland Security – Bennie Thompson of Mississippi
- House Administration – Robert Brady of Pennsylvania
- Judiciary – John Conyers of Michigan
- Natural Resources – Edward Markey of Massachusetts
- Oversight & Government Reform – Elijah Cummings of Maryland
- Rules – Louise Slaughter of New York
- Science, Space & Technology – Eddie Bernice Johnson of Texas
- Small Business – Nydia Velazquez of New York
- Transportation & Infrastructure – Nick Rahall of West Virginia
- Veterans’ Affairs – Michael Michaud of Maine
- Ways & Means – Sander Levin of Michigan
- Select Committee on Intelligence – Dutch Ruppersberger of Maryland

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IMMIGRATION/TECHNOLOGY: HOUSE PASSES STEM VISA BILL; ELIMINATES DIVERSITY VISAS

The House passed H.R. 6429, the Science, Technology, Engineering, and Math (STEM) Visa Bill, on Friday, November 30, 2012 by a vote of 245-139. The bill was sponsored by Rep. Lamar Smith (TX). The bill redirects 55,000 permanent residency visas in the diversity immigration program to foreign graduates of U.S. universities with doctoral or master's degrees in science, technology, engineering, and math. The bill pays for the new STEM visa program by authorizing a one-year extension of fee increases at Fannie Mae, Freddie Mac, and the Federal Housing Administration for guaranteeing mortgage loans.

The bill came up for a vote under suspension of the rules in September, but opponents objected to the bill's elimination of the diversity lottery and its failure to provide a path by which family members of STEM graduates could obtain legal immigration status. The new version of the bill retains the language eliminating the lottery, but makes it easier for spouses and children of legal permanent residents to move to the United States.

Proponents of the bill argue that H.R. 6429 promotes a more effective immigration system that would encourage foreign workers with advanced technical degrees to remain and work in the U.S. Opponents again criticized the bill's elimination of the lottery, its omission of language ensuring that unused visas do not expire, and its failure to address more comprehensive immigration reform.

For more information, go to: http://clerk.house.gov/floorsummary/floor.aspx?day=20121130&today=20121204.

TRANSPORTATION: HOUSE TRANSPORTATION HOLDS
HIGH-SPEED RAIL HEARING; CA HIGH SPEED RAIL EXAMINED

The House Committee on Transportation and Infrastructure held a hearing on December 6, 2012 entitled "An Update on the High-Speed and Intercity Passenger Rail Program: Mistakes Made and Lessons Learned." The focus of the hearing was to examine the Federal Railroad Administration's (FRA) management of the High-Speed and Intercity Passenger Rail (HSIPR) Program, receive status updates on individual projects, and discuss means of improvement.

Witnesses included: Rep. Kevin McCarthy (Bakersfield); Rep. Janice Hahn (San Pedro); The Honorable Ray LaHood, Secretary, United States Department of Transportation; Mr. Mitchell Behm, Assistant Inspector General for Rail, Maritime and Economic Analysis, United States Department Of Transportation; Ms. Susan Fleming, Director, Physical Infrastructure, Government Accountability Office; The Honorable Paula J. Hammond P.E., Secretary of Transportation, Washington State, Chair, AASHTO HSIPR Leadership Group, Chair, States for Passenger Rail Coalition; The Honorable Ann L. Schneider, Secretary Of Transportation, State Of Illinois; and Mr. Edward R. Hamberger, President and CEO, Association of American Railroads.

Issues discussed at the hearing include:
- As of November 29, 2012, all HSIPR funds have been obligated to 148 projects totaling approximately $9.934 billion, but only seven percent of these funds have been disbursed. There are six completed construction projects, thirty-one construction projects underway, and thirteen expected to begin in the next six months. Many of the construction projects are upgrades to existing routes that will not exceed 110 mph while only the California High-Speed Rail project and the Northeast Corridor would be true-high speed rail.

- Most of the panelists advocated for continued funding for high-speed rail as a means to modernize the nation's rail infrastructure.

- Rep. McCarthy criticized California's high-speed rail project as too expensive, stating that "maybe it's time when we cut our losses."

- Rep. Hahn, on the other hand, advocated continued funding for the project, stating that it would provide much-needed transportation alternatives that would reduce congestion and bring thousands of jobs to the state.

- Secretary LaHood cited several reasons for continued investment in high-speed rail, including population growth, congestion and mobility, energy consumption and costs, environmental protection, and increased public demand.

- Secretary LaHood also praised the HSIPR Program's "success" in launching a complex program that has begun or completed construction in seventeen states, replacing aging, obsolete equipment, and boosting local economies and industries.

- The Secretary attempted to allay concerns about the lack of private investment in the project by noting that several companies have been talking to state officials about high-speed rail investment.

- With respect to improving grant transparency and administration, Mr. Behm put forth the following recommendations: finalize grant administration guidance, establish clear program goals and measures to assess HSIPR program progress, create comprehensive training curriculum, and complete stakeholder agreements for proper fund disbursement.

- In April 2012, the California High-Speed Rail Authority (CHSRA) adopted a revised business plan, which uses a current right-of-way into San Francisco and Los Angeles in lieu of a more costly dedicated high-speed rail alignment, giving a total cost estimate of $68 billion with a completion date of 2028. The Government Accountability Office (GAO) is currently assessing the project's finances, passenger and revenue estimates, and comprehensiveness of estimated economic impacts. The final GAO report will be completed by February 2013.

- Based on the GAO's preliminary evaluation of the CHSRA's cost estimates, Ms. Fleming testified that the cost estimates are comprehensive in that they include major components of construction and operating costs. However, the cost estimates are not based on a complete set of assumptions, such as how the CHSRA expects to adapt existing high-speed rail technology to the project in California.

- Ms. Fleming also cited several challenges of the California high-speed rail project, including obtaining project funding beyond the first 130-mile construction segment. The CHSRA has secured $11.5 billion in federal and state funding, but it needs almost $57 billion more. She also cited the difficulty in accurate ridership and revenue forecasts due to limited information and the increased risk of delays due to environmental review and rights-of-way acquisition.

- Mr. Hamberger noted his desire for commuter and freight trains to work together in modernizing the rail network to ensure that improvements are not made at the expense of one party.

TECHNOLOGY: HOUSE SCIENCE, SPACE AND TECHNOLOGY SUBCOMMITTEE EXAMINES IMPACT OF TECH TRANSFER ON R&D

The House Science, Space and Technology Subcommittee on Investigations and Oversight met on Wednesday, December 5, 2012 to examine "The Impact of International Technology Transfer on American Research and Development." The hearing focused on the common requirement that private companies which receive federal support for research and development transfer new technology overseas in order to gain access to foreign markets. The hearing further analyzed the relative benefits of this practice and the methods by which domestic technology and intellectual property are transferred to foreign countries.

Witnesses included: Dr. Robert D. Atkinson, President, Information Technology & Innovation Foundation; and The Honorable Dennis C. Shea, Chairman, U.S. China Economic and Security Review Commission.

Issued discussed at the hearing included:
- Dr. Atkinson expressed his belief that ineffective R&D policies, including intellectual property theft by foreign nations and forced joint ventures and technology transfers, have unfairly reduced the United States' competitive advantage in R&D and advanced technology. More specifically, Dr. Atkinson attributed this relative decline in innovation to congressional unwillingness to make permanent and expand the R&D tax credit, limitations on high-skill immigration, and limited federal funding for R&D.
- Dr. Atkinson further criticized the practice of state-owned or -supported technology companies buying out or entering into forced partnerships with domestic firms in order to ultimately steal the domestic firm's intellectual property through policies like forced technology transfers.
- To combat these perceived issues, Dr. Atkinson made several recommendations, including expanding funding for the U.S. Trade Representative's Office and ensuring that future bilateral trade and investment treaties contain strong language against forced technology and R&D transfer.
- Mr. Shea claimed that technology transfer is one part of a multi-faceted effort by the Chinese government to further develop its culture of innovation. Shea further recommended that the Administration pressure China to limit its technology transfer practices, which harm the United States.

For more information, go to: http://science.house.gov/hearing/subcommittee-investigations-and-oversight-%E2%80%93-impact-international-technology-transfer

ENERGY: HOUSE SUBCOMMITTEE LOOKS AT "TAPPING AMERICA'S ENERGY POTENTIAL THROUGH RESEARCH AND DEVELOPMENT"

The House Science, Space and Technology Subcommittee on Energy and Environment met on Friday, November 30, 2012 to examine research needs and priorities relating to unconventional oil and natural gas resources, as well as H.R. 6603, the Tapping America's Energy Potential Through Research and Development Act of 2012. Specifically, H.R. 6603, introduced by Chairman Ralph Hall, promotes the development of oil shale production and other unconventional gas extraction strategies.

Witnesses included: Dr. Anthony Cugini, Director, National Energy Technology Laboratory, Department of Energy; Mr. David Martineau, Chairman, Texas Independent Producers and Royalty Owners Association; Dr. Daniel Hill, Interim Department Head, Professor and holder of the Noble Chair in Petroleum Engineering, Texas A&M University; and Mr. Michael Hagood, Director of Program Development, Energy and Environment Science and Technology, Idaho National Laboratory.
Issued discussed at the hearing included:
- Domestic oil and natural gas production have substantially increased over the past decade while oil dependence is at its lowest level since 1995.
- Residual oil, oil shale, heavy oil, oil sands, shale oil, and natural gas resources are plentiful within the U.S.
- Witnesses encouraged continued efforts by the Department of Energy (DOE) to develop unconventional oil and natural gas resources in an environmentally sustainable and safe manner and engage industry and academia to perform research that can help catalyze the development and application of new technologies.
- Panelists unanimously called for greater federally-funded research and development into hydraulic fracturing technology, water management, and subsurface geologic conditions in order to improve efficiency and assess the impact of various extraction techniques. The R&D program should include investments in basic and applied research as well as a field component to better facilitate technology deployment.
- Testimony generally reflected a need to lessen the environmental impacts of drilling, particularly with respect to the current overutilization of fresh water during hydraulic fracturing.
- Mr. Martineau expressed concern over tax provisions that disfavor small oil producers, alleged overregulation by the Environmental Protection Agency (EPA) and the U.S. Fish and Wildlife Service, and the federal government's current investments in alternative energy sources at the expense of traditional fossil fuels.
- Dr. Hill encouraged the DOE to direct additional funding to universities in the form of financial aid for petroleum engineering graduate students, who are in increasingly high demand for energy jobs.
- Mr. Halgood suggested investigating the application of hybrid energy systems approaches, including integrating renewable and/or nuclear energy into oil shale development schemes for achieving greater carbon efficiency and reducing environmental impact.

For more information, go to: http://science.house.gov/hearing/subcommittee-energy-and-environment-tapping-americas-energy-potential-through-research-and

REPORT: CA FINANCE DEPARTMENT RELEASES DATA ON CALIFORNIA

California’s Department of Finance has released newly compiled demographic data on the state obtained through the U.S. Census Bureau’s American Community Survey (ACS). The data are for the combined years 2007-2011 and provide statistics down to the neighborhood level on income, poverty, school enrollment, jobs, housing and other measures. In addition to the usual geography of state, county, cities, Census Designated Places, and census tracts, this release also contains data for ZIP Code Tabulation Areas (ZCTA). This is the first release of social and economic data for ZCTA since the 2000 census, according to the Department of Finance.

The California State Census Data Center, Demographic Research Unit has extracted commonly requested data for the state, counties, cities, and Census Designated Places to Excel files, as well as for ZCTA in California. These files are available on its website at: http://www.dof.ca.gov/research/demographic/state_census_data_center/american_community_survey/view.php#ACS2011x5

The Center also notes that all data tables for all geography down to the census tract level are available on American FactFinder at http://factfinder2.census.gov.