IMMIGRATION: SENATE JUDICIARY HOLDS FIRST HEARING ON COMPREHENSIVE IMMIGRATION REFORM

The Senate Committee on the Judiciary met on Wednesday, February 13, 2013 to discuss the merits of comprehensive immigration reform, including an earned path to citizenship and tying overall immigration reform to stronger border enforcement.

Witnesses included: The Honorable Janet Napolitano, Secretary, United States Department of Homeland Security; Jose Antonio Vargas, Founder, Define American, New York, NY; Jessica Vaughan, Director of Policy Studies, Center for Immigration Studies, Washington, DC; Steve Case, Chairman and CEO, Revolution, Washington, DC; Chris Crane, President, National Immigration and Customs Enforcement Council 118 of the American Federation of Government Employees, Washington, DC; and Janet Murguia, President and CEO, National Council of La Raza, Washington, DC.

Issues discussed at the hearing included:
- Despite the immigration plan formed by the bipartisan Senate working group last month, some on the panel expressed an interest in decoupling increased border enforcement from a pathway to citizenship for illegal immigrants. There was also an emphasis on the need for any immigration measure to make it easier for high-tech workers and for relatives of legal permanent residents to stay in the country.
- Secretary Napolitano criticized a "border security first" strategy to immigration reform because it "fails to recognize that immigration reform promotes border security" and that "ignores" the progress already made. She emphasized the current record of border control agents and billions of dollars that has funded border enforcement in recent years. In turn, Border Patrol apprehensions have decreased 49 percent over the past four years. Additionally, she praised the plan to make electronic employee verification mandatory and the proposed earned path to citizenship.
- Ms. Vaughan emphasized that enhanced border security must be part of any immigration overhaul. She also criticized Congress's last major immigration overhaul, in 1986, which she claimed did not properly enforce its border security and employment verification provisions.
- Mr. Case advocated increased VISAs for high-tech workers and an earned path to citizenship.
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- Later Wednesday, Sen. Marco Rubio (R-FL), a member of the bipartisan Senate working group, criticized Napolitano's position and reiterated that tougher border security is a prerequisite to any immigration deal.

For more information, go to: http://www.judiciary.senate.gov/hearings/hearing.cfm?id=edb04882c272d013ce8d198a622e257

**Energy/Resources: Senate Energy Committee Examines "Opportunities and Challenges for Natural Gas"**

The Senate Committee on Energy and Natural Resources met on Wednesday, February 13, 2013 to explore opportunities and challenges associated with America's natural gas resources.

Witnesses included: The Honorable John W. Hickenlooper, Governor of Colorado; Mr. Andrew N. Liveris, Chairman and Chief Executive Officer, The Dow Chemical Company, Midland, MI; Mr. Ross Eisenberg, Vice President, Energy and Resources Policy, National Association of Manufacturers, Washington, DC; Ms. Frances Beinecke, President, Natural Resources Defense Council, New York, NY; Dr. Kenneth B. Medlock, Senior Director, Center for Energy Studies, James A. Baker III, Institute for Public Policy, Rice University, Houston, TX; and Mr. Jack N. Gerard, President and Chief Executive Officer, American Petroleum Institute, Washington, DC.

Issued discussed at the hearing included:
- Panelists generally praised the United States' significantly decreased reliance on oil imports – a 20 percent reduction since 2006 – which is due, in part, to inexpensive utilization of shale gas. Many witnesses also highlighted the potential for job creation and the reduced greenhouse gas emissions associated with natural gas extraction in comparison to more traditional fuel extraction methods.

- Governor Hickenlooper advocated a parallel investment path in natural gas and renewable energy for the State of Colorado. He also discussed recent public health and safety strategies to minimize health risks associated with natural gas extraction methods, including mandatory water testing near drilling and completion sites before and after operators conduct their activities.

- Mr. Liveris noted that Dow is implementing a comprehensive plan to take advantage of the structural change that has occurred in the gas market. They plan to invest in American natural gas plants, which will create thousands of new American manufacturing jobs. He also advocated for limiting the export of natural gas, despite a recent study by Dr. Medlock finding that the (a) impact on US domestic prices will not be large if exports are allowed, and (b) the longterm volume of exports from the US will not likely be very large given expected market developments abroad.

- Ms. Beinecke expressed opposition to expanded hydraulic fracturing until more effective safeguards – e.g., increased federal oversight and regulations – are in place. She also further described alleged environmental and health impacts of fracking, including contaminated drinking water supplies, release of methane, and destruction of landscapes and wildlife habitats.

- Panelists also discussed opportunities for increased natural gas utilization, including industrial demand, residential uses, power generation, and alternative fuel vehicles.
Dr. Medlock expressed some doubt as to whether natural gas can realistically compete with other energy systems in some respects, especially transportation and liquid natural gas exports. He suggested that economic growth will, in turn, increase demand for industrial and power generation uses.

For more information, go to:

**ENERGY/RESOURCES: HOUSE SCIENCE SUBCOMMITTEE HOLDS HEARING ON AMERICAN ENERGY OUTLOOK**

The House Committee on Science, Space, and Technology's Subcommittee on Energy met on Wednesday, February 13, 2013 to receive testimony regarding the current state of the U.S. energy markets, projected trends, and the impact of technology deployment on the U.S. energy sector.

Witnesses included: The Honorable Adam Sieminski, Administrator, Energy Information Administration, U.S. Department of Energy; Mr. Robert McNally, President, The Rapidan Group; and Ms. Lisa Jacobson, President, Business Council for Sustainable Energy.

Issued discussed at the hearing included:
- The United States has seen a resurgence in oil and gas production due, in part, to the development of specific enabling technologies, such as horizontal drilling and hydraulic fracking. The International Energy Agency (IEA) predicts the U.S. will overtake Saudi Arabia to become the world's largest oil producer by 2020 and Russia to become the world's largest natural gas producer by 2015.
- Electricity generation capacity from non-hydro renewable technologies has increased significantly in recent years, but remains a small fraction of total U.S. electric needs. The two largest non-hydro renewable technologies, wind and solar, experienced a 117 percent and 110 percent increase in net electric generation from 2008 to 2011, respectively. IEA projects that electricity generation from renewable energy technologies, including hydropower, wind, solar, geothermal, and other renewable sources, will grow from 13 percent in 2011 to 16 percent by 2040.
- Mr. Sieminski discussed several short- and long-term projections regarding energy in the U.S. His short-term projections included the following: declining crude oil prices over the next two years with gasoline prices to follow; increased U.S. crude oil production; static liquid gas consumption; increased natural gas prices; and increased renewable generation.
- His long-term projections included the following: sharp rise in crude oil production; increased production and utilization of natural gas, which will facilitate increased industrialization; decreased gasoline usage; increased natural gas exports; and renewable use growing at a much faster rate than fossil fuels.
- Mr. McNally emphasized the importance of not underestimating consumer dependence on fossil fuels. He also cautioned against unrealistic goals in transforming the U.S. energy systems. Finally, he advocated technology and innovation in helping to produce more domestic oil and gas.
- Ms. Jacobson offered a summary of findings from the Sustainable Energy in America 2013 Factbook, a quantitative report intended to be a market information resource for policymakers interested in the U.S. impact of sustainable energy technologies. The most significant findings indicated a drastic increase in utilization of renewable and alternative energy over the past few years, but a decline in overall energy use, largely driven by advances in energy efficiency.
- She also advocated increased use of clean, affordable energy sources in the U.S. through continued research, development, and deployment partnerships between the federal government and the private sector.

For more information, go to:
DEFENSE: SENATE AND HOUSE COMMITTEES EXPLORE IMPACT OF SEQUESTRATION ON DEFENSE

The Senate and House Armed Services Committees met separately on Tuesday, February 12, 2013 and Wednesday, February 13, 2013, respectively, to examine the potential impacts of sequestration and the extension of a full-year Continuing Resolution (CR) on the Department of Defense (DoD). If implemented, the sequestration will begin for the DoD on March 1, 2013. Additionally, a second sequestration, due to a breach in the discretionary spending caps for fiscal 2013, is scheduled to be implemented on March 27. The combined effects of these two sequestrations will require the DoD to cut roughly $46 billion from the annualized level of funding provided on the fiscal 2013 CR. Sequestration would apply to all of the DoD budget except military personnel, which the President indicated would be exempt from the cuts. The law further requires that those reductions be accomplished indiscriminately and across-the-board.

Witnesses for both hearings included: Honorable Ashton B. Carter, Deputy Secretary of Defense; Honorable Robert F. Hale, Under Secretary of Defense (Comptroller); General Martin E. Dempsey, USA Chairman, Joint Chiefs of Staff; General Raymond T. Odierno, USA Chief of Staff of the Army; Admiral Mark E. Ferguson III, USN Vice Chief of Naval Operations; General James F. Amos, USMC Commandant of the Marine Corps; General Mark A. Welsh III, USAF Chief of Staff of the Air Force; and General Frank J. Grass, NGB Chief, National Guard Bureau. Additionally, Admiral Jonathan W. Greenert, Chief of Naval Operations, U.S. Navy testified before the House Committee.

Issued discussed included:
- Panelists concurred that sequestration, particularly if coupled with an extension of the current CR under which the DoD currently operates, would result in furloughs, degraded readiness, maintenance cutbacks, and disrupted investment programs for the DoD.
- The extension of the CR would significantly impact the military's operations and maintenance accounts. The accounts would have increased for fiscal 2013 if Congress had approved the Pentagon's request, but would be short $11 billion if the current CR, which expires March 27, is extended until September 30.
- Panelists also expressed strong concern with respect to the seven-month time frame in which they would have to accommodate these budget cuts.
- Deputy Secretary Carter expressed little hope that a bipartisan deal could be reached to avert the cuts. Indeed, he called the looming threat of sequestration "particularly tragic" and stressed that the cuts are "purely damage of political gridlock."
- In light of the recent nuclear test by North Korea, Carter emphasized the need to have strong nuclear deterrence programs, which could be impacted by the sequester.
- Other panelists, including Navy Adm. Ferguson and Air Force Gen. Welsh echoed Carter's concerns, citing likely reduced nuclear training and hiring freezes for servicemen and civilians. Navy Adm. Greenert also stated before the House Committee that the sequester would force the Navy to cancel or slow procurement "of relevant platforms and systems needed to preserve our warfighting superiority, such as the Joint Strike Fighter, the P-8 maritime patrol aircraft, the Littoral Combat ship[.]"
- The DoD has already begun taking actions to slow spending in order to prevent later consequences from the sequester, including: civilian hiring freezes; furloughs; lay-offs for tens of thousands of temporary and term employees; curtailing facilities, ship, and aircraft maintenance; and significantly reducing base operating services.
- Ultimately, the cuts would require the DoD to significantly alter its short- and long-term defense strategy.
- Rep. Howard "Buck" McKeon (Santa Clarita), chairman of the House Armed Services Committee, acknowledged that both parties and multiple administrations bear the blame for the sequester. He noted that many Republicans "voted for this terrible mechanism in the naïve hope that the President and Congress could put … politics aside and fix our debt crisis." He also told the Joint Chiefs of Staff that he would not
support any plan to avert across-the-board cuts that does not include within it "meaningful and real relief for DoD from sequester."

For more information, go to:
U.S. Senate, Oversight Hearing on the Impacts of Sequestration and/or Continuing Resolution, http://www.armed-services.senate.gov/hearings/event.cfm?eventid=75b85d4058863364782faf917d08a08a

TRANSPORTATION: HOUSE COMMITTEE Examines "THE FEDERAL ROLE IN AMERICA'S INFRASTRUCTURE"

The House Committee on Transportation and Infrastructure met on Wednesday, February 13, 2013 to examine the role of the Federal Government in providing safe, efficient, and reliable infrastructure and its impact on the United States economy.

Witnesses included: Thomas J. Donohue, President and CEO, U.S. Chamber of Commerce; Edward G. Rendell, Co-Chair, Building America's Future, former Pennsylvania Governor; and Terry O'Sullivan, General President, Laborers' International Union of North America.

Issued discussed at the hearing included:
- Over 4,059,399 miles of public roads connect with 19,782 airports, 161,195 miles of railroad, 242,306 miles of public transit route miles, 1,735,237 miles of pipeline, 25,320 miles of navigable waterways, and 360 commercial ports.
- Transportation-related goods and services made up 10.2 percent of the Nation's gross domestic product in 2011, or $1.6 trillion.
- In 2010, the system carried over 2.9 trillion vehicle miles (including cars, trucks, motorcycles, and buses), over 564 billion passenger miles by air, over 35 billion passenger miles by rail (including transit and Amtrak), and over 2.5 billion passenger miles by other modes of public transit.
- In 2011, the system carried over 1.47 billion tons of merchandise (including imports and exports) by waterways, over 8.2 million tons of merchandise by air, over 207.8 million tons of merchandise by truck, over 142 million tons of merchandise by rail, and over 122.9 million tons of merchandise by pipeline.
- While several Republicans on the committee said they still want to see greater autonomy for state and local transportation officials to build what they need without excessive federal regulation, they also recognized the federal role in repairing, upgrading and expanding transportation systems in the country.
- Former Gov. Rendell told the committee that increased funding for infrastructure projects was necessary for long-term economic growth. He further advocated new revenue sources, including a vehicle's miles traveled tax to supplement and eventually replace the gas tax. The vehicle's miles traveled tax has not increased from its 18.4 cent-per-gallon rate since 1993. Finally, he advocated continued Department of Transportation funding for state and local projects of national significance and the creation of a national infrastructure bank.
- Mr. Donahue also advocated continued federal funding in infrastructure and further suggested four ways in which the Chamber of Commerce can contribute, including paying to support public infrastructure, investing in private capital, providing expertise and innovations, and building support for a world-class infrastructure.

For more information, go to: http://transportation.house.gov/hearing/federal-role-america%E2%80%99s-infrastructure
EDUCATION: HOUSE COMMITTEE LOOKS AT HOW EDUCATION CAN IMPROVE STUDENT ACHIEVEMENT

The House Committee on Education and the Workforce's Subcommittee on Early Childhood, Elementary, and Secondary Education met on Thursday, February 14, 2013 to examine the ways technology and creative reforms are helping students achieve and strengthen the nation's K-12 education system. In 2009, the U.S. Department of Education published a meta-analysis of evidence-based studies of K-12 and postsecondary online learning programs and found that "students who took all or part of their class online performed better, on average, than those taking the same course through traditional face-to-face instruction. … In addition, online learning has the potential to improve productivity and lower the cost of education, reducing the burden on taxpayers."

Witnesses included: Mr. John Bailey, Executive Director, Digital Learning Now, Washington, D.C.; Mr. Preston Smith, CEO & President, Rocketship Education, Redwood City, CA; Ms. Holly Sagues, Chief Policy Officer, Florida Virtual School, Orlando, FL; and Mr. Jim Shelton, Assistant Deputy Secretary for Innovation and Improvement, U.S. Department of Education.

Issues discussed included:
- Panelists discussed the benefits of digital learning, including remote classrooms and blended learning, higher quality textbooks, and unique, complementary classroom software.
- The Internet is making it easier and cheaper to access resources and distribute content including textbooks, data, videos, lessons, and entire courses. When combined with new web-based tools and cloud-based systems, students have more educational opportunities than ever before.
- Digital learning is rapidly opening up opportunities to unbundle these education services and courses. As a result, students are now able to choose a specific course plan.
- Blended learning uses technology that is able to assess where each student is on a learning progression toward challenging college and career standards and then develops a customized playlist of activities and assignments.
- Mr. Bailey also discussed current digital learning barriers, including state limitations on the number of students who can enroll in online classes, outdated regulations, and inadequate funding. He further recommended that the federal government help accelerate digital learning by providing incentives to states, ensuring federal funds follow the student, and modernizing education programs.
- Rocketship Education is the leading public school system for low-income elementary students based on California assessment results. An SRI study examined the progress of nearly 600 students and found that students who had greater access to adaptive learning platforms achieved significant gains in overall mathematics scores.
- Mr. Smith expressed three core beliefs that contribute to Rocketship's success, including personalized learning with extended school days, higher quality and higher paid teachers, and encouraging engaged parents through activities such as annual home visits.

For more information, go to: http://edworkforce.house.gov/calendar/eventsingle.aspx?EventID=319415

HEALTH: HOUSE E&C EXAMINES MEDICARE’S SUSTAINABLE GROWTH RATE AND PHYSICIAN PAYMENT SYSTEM

The House Committee on Energy and Commerce's Subcommittee on Health met on Thursday, February 14, 2013 to examine (1) Medicare's Sustainable Growth Rate (SGR) system of paying doctors during the 112th Congress, and (2) improvements to the Medicare physician payment system.

On March 28, 2011, the Committee sent a bipartisan letter to approximately 50 physician groups and other stakeholders requesting suggestions for developing a long-term alternative to the SGR. The responses received varied from simply proposing repealing the SGR and providing for 10 years of stable payment
updates to detailed and comprehensive payment and care delivery reforms. At the end of the 112th Congress, Congress averted the 26.5 percent reduction in Medicare physician payment rates that was scheduled to go into effect on January 1, 2013. It accomplished this by extending current Medicare physician payment rates through December 31, 2013, at a cost of $25.2 billion. The Subcommittee's February 14 hearing built on the information learned from the Committee's work during the 112th Congress.

Witnesses included: Glenn M. Hackbarth, J.D., Chairman, Medicare Payment Advisory Commission; Harold D. Miller, Executive Director, Center for Healthcare Quality and Payment Reform; Elizabeth Mitchell, CEO, Maine Health Management Coalition; Robert Berenson, M.D., Institute Fellow, Urban Institute; and Cheryl L. Damberg, Ph.D., Senior Policy Researcher; Professor Pardee RAND Graduate School.

Issued discussed included:
- Replacing the SGR with a durable physician payment system that preserves access to the highest quality health care for Medicare beneficiaries will require policymakers to analyze how best to utilize data, measures and models.
- Panelists unanimously called for repeal of the SGR formula in order to control the growth of Medicare spending and to improve the way care is delivered to Medicare beneficiaries.
- Witnesses also advocated accountable payment models that can be adapted to specific communities around the country.
- Mr. Hackbarth testified that the SGR is "fundamentally flawed and is creating instability in the Medicare program for providers and beneficiaries." He further relayed the recommendation of the Medicare Payment Advisory Commission (MedPAC)'s, which he chairs, that Congress repeal the SGR because (1) it ties annual updates to cumulative expenditures, which has failed to restrain volume growth and may have exacerbated it; (2) temporary, stop-gap fixes to override the SGR undermine the credibility of Medicare by engendering uncertainty and anger among physicians and other health professionals, which may in turn cause anxiety among beneficiaries; and (3) the short-term overrides have led to an administrative burden for providers and CMS due to holding of claims, delays in submission of claims, and reprocessing of claims.
- The presence of the SGR and the temporary, stop-gap fixes to the SGR have had a destabilizing influence on the Medicare program by creating uncertainty for physicians, other health professionals, and beneficiaries, the witnesses testified.
- Ms. Damberg also articulated several recommendations on behalf of RAND, including the following: (1) providing federal investment in leadership related to developing a robust measurement strategy; (2) shifting the focus and resources towards a greater emphasis on defining and measuring outcomes; and (3) supporting the development of a robust integrated health IT framework for quality improvement and reporting.


**TECHNOLOGY: HOUSE SCIENCE EXPLORES APPLICATIONS FOR INFORMATION TECHNOLOGY RESEARCH AND DEVELOPMENT**

The House Committee on Science, Space, and Technology's Subcommittee on Research met on Thursday, February 14, 2013 to discuss the practical applications and benefits of the Networking and Information Technology Research and Development (NITRD) program and its significance to U.S. competitiveness. Originally authorized in the High-Performance Computing Act of 1991, the NITRD program is the main R&D investment portfolio of 15 federal member agencies in networking, computing, software, cyber security and related information technologies totaling over $3.7 billion in FY2013 (with the National Science Foundation being the principal contributor with over $1.1 billion of that total).
Witnesses included: Dr. Kelly Gaither, Director, Visualization Lab, Texas Advanced Computing Center, University of Texas, Austin; Dr. Kathryn McKinley, Principal Researcher, Microsoft; and Dr. Ed Lazowska, Bill and Melinda Gates Chair in Computer Science and Engineering, University of Washington.

Issued discussed included:
- Panelists concurred that past investment in computing research has spawned multiple new billion-dollar information technology (IT) industries that have had significant positive impact on the U.S. economy as well as enabled innovation in multiple sectors, such as manufacturing, healthcare, energy, entertainment, education, and retail.
- Government, universities, and industry each play a critical role in advancing IT innovation and discovery. In particular, Federal investment, through the NITRD program provides sustained support of research in existing and emerging computing areas and in enabling the training and flow of people and ideas throughout the IT R&D ecosystem.
- Dr. Gaither recommended that Congress make significant continued investment in the NITRD program, maintain a balanced portfolio of NITRD funding opportunities for researchers in computational science, and provide opportunities to entice students to remain in computational science.
- Dr. McKinley advocated increased investment in areas with economic, societal, and security impacts, including fundamental multi-disciplinary computing challenges in areas such as big data and robotics, as well as the computing advances needed to tackle national challenges in energy, education, health, and defense.

For more information, go to: http://science.house.gov/hearing/subcommittee-research-applications-information-technology-research-development

Agriculture: House Committee Examines Economics of Disasters on Agriculture

The Senate Committee on Agriculture, Nutrition, and Forestry met on Thursday, February 14, 2013 to examine the toll weather disasters have taken on American agriculture – particularly in 2012 – and what steps can be taken to safeguard the economy from future catastrophes.

Witnesses included: Dr. Joe Glauber, Chief Economist, United States Department of Agriculture; Dr. Roger Pulwarty, Director, National Integrated Drought Information System - NOAA, Boulder, CO; Mr. Leon LaSalle, Rancher, Havre, MT; Ms. Anggie Steinbarger, Farmer, Edinburgh, IN; Mr. Jeff Send, Cherry Farmer, Leelanau, MI; and Mr. Ben Steffen, Farmer, Steffen Ag, Inc., Humboldt, NE.

Issued discussed included:
- Panelists concurred that 2012 weather conditions were particularly harsh for many areas of the country, particularly the Midwest; persisting dryness, warm temperatures, and the geographic area covered were all highly abnormal. Impacts include, but are not limited to, the reduction in crop yields and commerce on major river systems. The 10 driest years ranked in order of their summer (May-August) rainfall in the mid-West deficits are: 2012, 1934, 1936, 1901, 1976, 1913, 1988, 1953, 1911, and 1931.
- The summer drought of 2012 contributed to an unusually high number of acres in the United States (U.S.) burned by wildfires. According to the National Interagency Fire Center, there were over 9.2 million acres charred in wildfires in 2012 as of December 20th, 2012.
- Persistent and anomalous heat resulted in the warmest month ever in July 2012, and 2012 was ranked as the warmest year on record for the contiguous U.S.
- Dr. Glauber testified that 59 percent of winter wheat areas, 69 percent of cattle production, and 59 percent of hay acreage remain under drought conditions.
Dr. Pulwarty discussed the National Integrated Drought Information System (NIDIS) at the National Oceanic and Atmospheric Administration (NOAA), which builds on longstanding efforts among agencies and institutions that have historically focused on drought risk assessment and response.

He further noted that the Colorado Basin experienced only 44% of its annually expected runoff for Water Year 2012. The basin also experienced the second driest ten-year period in the streamflow record. Indeed, the Upper Colorado had one of its driest years in the 1895-2012 period in the record.

Dr. Pulwarty made several recommendations for improving the national integrated drought information system, including the following: (1) improving the understanding and predictability of droughts across a variety of timescales for seasonal, to interannual and decadal time scales including the role of precipitation events in reducing drought duration and intensity; and (2) improving collaboration among scientists and managers to enhance the public awareness and effectiveness of observation networks, monitoring, prediction, information delivery, and applied research.

He also mentioned that the NIDIS California Central Valley activity is developing a fallowed land monitoring capability for the Central Valley of California to identify changes in farming practices during drought.

For more information, go to: http://www.ag.senate.gov/hearings/drought-fire-and-freeze