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.

Agriculture: Senate Passes Farm Bill; House Considering Own Version

The Senate voted 66 to 27 on Monday, June 10, 2013 to approve the Agriculture, Reform, and Risk Management Act of 2013 (S.954) – the "farm bill." Senators backed the measure after spending more than two weeks debating over 200 amendments offered on the legislation. The previous farm bill expired last year. The new bill spends $955 billion over 10 years – $15 billion more than competing legislation (H.R.1947) advanced by the House Agriculture Committee – and would end direct and countercyclical payments to farmers, which account for most of the current commodity spending. In its place, the bill would establish an "adverse market payments" program to provide support when prices fall below a historic reference. That program was not included in the farm measure the Senate passed last year. The bill would set target prices below corresponding House levels, meaning the program would be triggered less often under the Senate language. The measure also would create a revenue protection program to compensate for losses not covered by crop insurance of 12 percent to 22 percent from five-year price averages.

Specifically, the Senate farm bill includes the following:

- Supplemental Nutrition Assistance Program (SNAP): $760.5 billion over 10 years. The Senate bill tweaks some of the rules governing eligibility and cuts spending by $3.9 billion compared to what would happen if current policy was kept. The bill would offset the cuts by requiring that recipients of a heating assistance program receive a minimum payment of $10 to be eligible for SNAP. Notably, the bill also includes a Sen. David Vitter (LA) amendment that bans anyone convicted of a violent crime from receiving food stamps for life.

Meanwhile, the House measure would cut the program by $20.5 billion by limiting the types of low-income benefits that would automatically qualify recipients for the nutrition program.

- Commodity Programs: $41.3 billion over 10 years. This section includes a variety of programs to shield farmers against sharp fluctuations in prices, particularly corn, wheat, soybean,
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- Crop Insurance: $89 billion over 10 years. The federal government currently pays about $7 billion per year to subsidize crop insurance premiums for farmers. Under the new Senate farm bill, the government would also spend an additional $5 billion per year covering the deductibles that farmers have to pay before the insurance kicks in. This is supposed to help cushion the blow from the loss of direct payments. Unlike the House measure, it would require participants to meet soil and water conservation requirements. To prevent abuse by large farm operators, the Senate added language shrinking subsidies for farmers earning more than $750,000 per year.

- Conservation: $58 billion over 10 years. This includes programs to help farmers protect against soil erosion and to use ecologically friendly methods like drip irrigation. It also includes programs that pay farmers to grow on less land. According to a Congressional Budget Office analysis, this part of the farm bill was cut by about $3.5 billion in part because the government will be supervising a smaller total area.

- Trade: $3.6 billion over 10 years. This money is used to promote U.S. crops overseas and provide food aid abroad. The government also offers some technical assistance to farmers in developing countries. The Senate kept the food-aid program intact, albeit with an extra $60 million to buy food locally in developing countries.

- Energy: $1.1 billion over 10 years. This includes money for biofuels as well as for energy-efficiency programs in rural areas. It also provides funding to help develop biochemicals and bioplastics industries.

- Miscellaneous: About $1.1 billion over 10 years. This includes everything from forestry programs to rural development to research and development. There are programs for promoting farmers markets, selling off timber on federal lands, and researching organic agriculture and citrus diseases. The Senate bill would create a new R&D agency akin to the National Institutes of Health.

- Amendment: Before passing the bill, the chamber adopted, 48-38, an amendment from Sen. Patrick J. Leahy (VT) that would provide ultra-high-speed broadband service in a rural Internet pilot program that would provide downstream transmission capacity of 1 gigabit or higher.

Compared with the Senate bill, the House bill has less money for food stamps and nutrition, or $743 billion over 10 years. There’s also somewhat less money for conservation, slightly deeper cuts to commodity payments, and a bit more money for crop insurance because of a number of different rules used to calculate payments. Under the Senate bill, for instance, farmers could lose their funding for premiums if they convert wetlands to crop production; the House doesn’t have that provision. The House legislation is expected on the floor this month and could be considered as early as June 17.

For an updated analysis of the Senate’s farm bill, go to:
IMMIGRATION: SENATE BEGINS CONSIDERATION OF AMENDMENTS TO REFORM BILL

The Senate on Thursday, June 13, 2013, began voting on amendments to S. 744, the comprehensive immigration rewrite sponsored by the so-called “Gang of Eight.” By a vote of 57-43, the Senate tabled an amendment offered by Sen. Charles Grassley (IA), Ranking Member of the Judiciary Committee. The amendment would have prevented undocumented immigrants from moving toward Registered Provisional Immigrant (RPI) status until the Administration was able to certify that “effective control over the entire southern border” had been established and maintained for six months. Sen. Grassley argued that border security must occur before the illegal immigrants currently in the U.S. can be moved to legal status. Sen. Charles Schumer, a leading member of the “Gang,” indicated a willingness to work on strengthening border security, but opposed the Grassley amendment because it could add indefinite delays to the already long, path to citizenship. The underlying bill would allow the Department of Homeland Security to begin processing applications to RPI status once a plan for border security has been developed. Other benchmarks regarding security would have to be met before immigrants could move beyond provisional status.

Senate Majority Leader Harry Reid indicated that votes on other amendments would not occur until at least June 17th, as the two sides attempt to reach an agreement on the total number of amendments that will be considered. Reid, however, reiterated that he expects a vote on final passage to occur before the beginning of the Fourth of July recess.

Earlier in the week, on June 11th, the Senate voted overwhelmingly to invoke cloture and begin consideration of amendments to the bill. The vote was 84-15.

For information on pending amendments and floor proceedings, go to: http://democrats.senate.gov/2013/06/11/.

The House Judiciary Committee has been holding hearings on specific aspects of immigration reform proposals, including border security. See related article in this Bulletin. There is also a bipartisan group of House members working on a comprehensive immigration reform bill, but no final agreement has been reached on that as of yet.

APPROPRIATIONS: HOUSE APPROPRIATIONS REPORTS FY 2014 DEFENSE FUNDING

The House Committee on Appropriations approved the FY 2014 Defense Appropriations Bill on Wednesday, June 12, 2013. The bill provides $512.5 billion in non-war funding, a decrease of $5.1 billion below the fiscal year 2013 enacted level and $3.4 billion below the President's request. This is approximately $28.1 billion above the current level caused by automatic sequestration spending cuts. It
would provide $5.1 billion less compared to the fiscal 2013 enacted level. More detailed bill highlights can be found in last week's bulletin: [http://www.calinst.org/bul2/b2016.shtml#TOC1_4](http://www.calinst.org/bul2/b2016.shtml#TOC1_4).

Amendments to the bill included:

- The panel backed by voice vote an amendment by Rep. Rosa DeLauro (CT) that would bar the Pentagon from buying equipment from Rosoboronexport unless the Defense secretary certifies to Congress that the Russian defense contractor has not delivered S-300 advanced anti-aircraft missiles to Syria. The secretary would also need to certify that Syria and the Russian defense contractor have not signed any new contracts since Jan. 1, 2013 and that Rosoboronexport is cooperating with the Defense Contract Audit Agency. Those provisions would replace broader language in the bill that would have blocked the Defense Department from doing any business with Rosoboronexport, with waivers allowed if it is in the national security interest. The amendment would still allow waivers, but it would add a reporting requirement. It also would require competitive bidding for procurement of helicopters for Afghan security forces.

- The panel adopted by voice vote a manager's amendment by Rep. C.W. Bill Young (FL) that would prevent part of the Defense Health Agency's money from being spent until a plan for an integrated electronic health record is submitted to Congress. It also would add report language dealing with sexual assault.

- Finally, the panel adopted 24-22 an amendment by Rep. Jim Moran (VA) requiring a portion of the funding for the Afghan National Security Forces be used for the recruitment and retention of women.

For more information, go to:


**EDUCATION: SENATE HELP COMMITTEE ADVANCES STRENGTHENING AMERICA'S SCHOOLS ACT**

The Senate Health, Education, Labor, and Pensions Committee voted 12 to 10 on Wednesday, June 12, 2013 to advance S. 1094, the Strengthening America's Schools Act of 2013 (SASA). SASA is intended to overhaul the controversial 2001 education law known as No Child Left Behind (PL 107-110), which expired in 2007. Under SASA, which was sponsored by Chairman Tom Harkin (IA), school districts would have more flexibility to create personalized student accountability systems. The bill would require evaluation systems for teachers and principals and interventions to assist failing schools.

SASA would depart from a much-criticized provision in the current law that requires states to develop an accountability system, Adequate Yearly Progress, to ensure that all students are proficient in math and reading by 2014. Instead, the measure reflects the Obama administration's waiver system, which has freed 37 states and the District of Columbia from many of the current mandates, including the accountability system.

Because states with waivers have already adopted the Education Department-approved accountability systems, which differ slightly from state to state, SASA allows those states to continue to use those systems. States that haven't overhauled their accountability systems must create a system that tracks student academic achievement and growth, English language proficiency and, for high schools, graduation rates for all students.
SASA would alter the K-12 funding formula by ensuring that local and state resources per student for Title I schools are equal to or greater than the average local and state funds per student in non-Title I schools

Adopted Amendments include:
- The panel adopted by voice vote a proposal by Sen. Elizabeth Warren (MA) that would require the Education Department to establish a model demonstration program to explore the effectiveness of programs that increase students' access to post-secondary education.
- The committee also voted 13-9 to adopt an amendment by Sen. Patty Murray (WA) that would require schools to collect and report data on their interscholastic sports teams and the number of male and female participants.
- Finally, the panel adopted by voice vote an amendment by Sen. Christopher S. Murphy (CT) that would help schools that have suffered violent crises pay for building reconstruction. The funding for the provision would come from an Education Department anti-violence program called Project SERV.

For more information, go to:
- Senate HELP Committee Mark-up of SASA, June 11, 2013, http://www.help.senate.gov/hearings/hearing/?id=9df7d755-5056-a032-524b-f74853bd2a26
- Senate HELP Committee Summary of SASA, June 12, 2013, http://www.help.senate.gov/newsroom/press/release/?id=1e962c65-9bf2-4029-b7cd-c1eb4e747f47&groups=Chair

**NATURAL RESOURCES: HOUSE NATURAL RESOURCES ADVANCES CA COASTAL MONUMENT EXPANSION**

The House Committee on Natural Resources by unanimous vote approved H.R. 1411, The California Coastal National Monument Expansion Act of 2013. (H.R. 1411) [CCNEA] on June 12, 2013. The bill, which was introduced by freshman Rep. Jared Huffman (San Rafael) would expand the California Coastal National Monument by 1,255 acres near Mendocino, California. Specifically, the bill would include the Point Arena-Stornetta Public Lands in the California Coastal National Monument as a part of the National Landscape Conservation System. It would add 10 miles to the California Coastal Trail and includes the Garcia Estuary and two miles of the Garcia River, a critical habitat for salmon and steelhead. The land includes habitat for endangered species, and keeps the current recreational, ranching, and research uses of the land.

For more information, go to:

**ENERGY: HOUSE NATURAL RESOURCES APPROVES OFFSHORE ENERGY BILL**

The House Committee on Natural Resources approved by a vote of 23 to 18 the Offshore Energy and Jobs Act (H.R. 2231) [OEJA]. The bill would amend the Outer Continental Shelf Lands Act to increase energy exploration and production on the Outer Continental Shelf, provide for equitable revenue sharing for all coastal States, and implement the reorganization of the functions of the former Minerals Management Service into distinct and separate agencies. Specifically, the OEJA would direct
the Interior Secretary to implement a five-year oil and gas leasing program and make at least 50 percent of each Outer Continental Shelf area available for leasing.

The Committee rejected Rep. Alan Lowenthal's (Long Beach) amendment that would have prohibited new drilling leases off the California coast. The vote was 10-23. Chairman Doc Hastings (WA), opposed the amendment, stating that it was unnecessary because the bill includes provisions that limit drilling in California to areas that can only be reached from existing infrastructure.

For more information, go to:

**IMMIGRATION: HOUSE JUDICIARY HOLDS HEARING ON BORDER SECURITY PROPOSALS**

The House Committee on the Judiciary met on Thursday, June 13, 2013 to examine the Strengthen and Fortify Enforcement Act (H.R. 2278) [The SAFE Act], which would increase border security and give states and localities the power to enforce federal immigration laws.

Witnesses included: The Honorable Paul Babeu, Sheriff of Pinal County, Florence, Arizona; Mr. Chris Crane, President, National Immigration and Customs Enforcement Council 118, American Federation of Government Employees; The Honorable Sam S. Page, Sheriff of Rockingham County Wentworth, North Carolina; Mr. Jamiel Shaw, Sr., Jamiel's Law Los Angeles, California; The Honorable Randy C. Krantz Commonwealth's Attorney Bedford, Virginia; Ms. Sabine Durden, Mother of Dominic Durden, Moreno Valley, California; Ms. Karen Tumlin, Managing Attorney, National Immigration Law Center, and Ms. Clarissa Martinez De Castro, Director of Civic Engagement and Immigration National Council, La Raza Raul Yzaguirre Building

Mr. Crane praised the SAFE Act for enhancing public safety through enforcement reforms, including adding additional officer positions to ICE's Enforcement and Removal Operations as well as providing all officers and agents with equal arrest authorities and reinstituting limited numbers of Detention Enforcement Officers so that immigration agents who currently perform detention guard duties can be reassigned back to law enforcement duties. He also noted that the SAFE Act provides additional ICE prosecuting attorneys, administrative staff, and funding for weapons and safety equipment. He also criticized S. 744, the Gang of Eight immigration legislation, for failing to adequately cover interior enforcement.

Ms. Tumlin criticized the SAFE Act for focusing too heavily on immigration enforcement at the expense of the legal immigration system's issues. She further noted that the SAFE Act would grant unprecedented and unconstitutional immigration enforcement powers to states and localities, allowing them to implement their own immigration policies. Ms. Tumlin stated that the bill would lead to racial profiling and creates harsher immigration penalties than imposed under the criminal justice system.

Ms. De Castro echoed most of Ms. Tumlin's concerns regarding the legal and practical implications of creating a patchwork of immigration laws. She further emphasized that the SAFE Act is unnecessary given the recent buildup in enforcement, particularly border enforcement and contemplated increases in pending bipartisan immigration reform proposals, including a proposed expansion of E-Verify and other interior enforcement efforts.

For more information, go to: http://judiciary.house.gov/hearings/113th/hear_06132013_2.html
TELECOMMUNICATIONS: HOUSE ENERGY ASSESSES SATELLITE TELEVISION LAW

The House Committee on Energy & Commerce's Subcommittee on Communications and Technology met on Wednesday, June 12, 2013 to discuss the effectiveness of the Satellite Television Extension and Localism Act (STELA), the 25-year-old satellite television law. In 1988, Congress granted satellite providers special privileges to redistribute broadcast programming under the premise that the then-fledgling satellite industry would be unable to negotiate carriage in the marketplace. Today, however, DirecTV and DISH are the second and third largest pay-TV providers. Accordingly, this hearing examined whether the satellite law merely distorts the market infavor of those providers or if it is still necessary to satisfy consumer desires.

Witnesses included: Marci Burdick, Senior V.P. of Broadcasting, Schurz Communications, Inc.; Geoffrey Manne, Senior Fellow, TechFreedom; Mike Palkovic, Executive Vice President, Services and Operations, DIRECTV; Ben Pyne, President, Global Distribution, Disney Media Networks; Hal Singer, Managing Director, Navigant Economics; and Amy Tykeson, CEO, Bend Broadband.

Mr. Pyne, while acknowledging the increased growth of streaming services and the pleas for changes to retransmission consent, advocated for continued free negotiation for compensation in the distribution of its content in order to minimize risk. With respect to the satellite legislation, he deemphasized the modern need to provide network programming to rural households and, thus, encouraged Congress to let the legislation sunset. However, if the existing legislation is renewed, Mr. Pyne asked Congress to merely extend the expiration date and refrain from inserting additional and unrelated government mandates.

Mr. Palkovic advocated two paths for Congress's consideration of STELA reauthorization: (1) jettison broadcast regulation altogether and create a truly free market in which broadcast programming is no longer treated differently than every other type of programming, or (2) make the laws smarter to reflect the 21st century video marketplace. Mr. Palkovic also criticized retransmission consent for raising prices, limiting choice, and leading to blackouts. Finally, he indicated his support of numerous legislative proposals, including: (1) passing S. 912, the Television Consumer Freedom Act of 2013; (2) authorizing Congress to prohibit blackouts directly; and (3) allowing broadcasters to negotiate directly with consumers, thus removing the pay-TV middleman.

For more information, go to:
http://energycommerce.house.gov/hearing/satellite-television-law-repeal-reauthorize-or-revise

TRADE: HOUSE WAYS & MEANS SUBCOMMITTEE EXAMINES BRAZIL TRADE

The House Ways and Means Trade Subcommittee, chaired by Rep. Devin Nunes (Tulare), held a hearing on Wednesday, June 13, 2013 on U.S.-Brazil trade relations. The hearing focused on the growing trade and investment relationship between the two countries, the challenges facing U.S. companies in this growing market, and how to maximize constructive bilateral engagement – including adequate parliamentary involvement and oversight – regarding these opportunities and challenges.

Witnesses were: Mr. Thomas F. McLarty III, Chairman, McLarty Associates; Dr. Andrés R. Gluski, Chief Executive Officer, AES Corporation; Mr. Doug Hundt, President of Underground Solutions, Vermeer Corporation; and Mr. Roberto Marques, Company Group Chairman, Johnson & Johnson Consumer Companies of North America, on behalf of the U.S. Section, Brazil-U.S. Business Council.

According to subcommittee documents, Brazil has been the United States’ eighth largest trading partner on average over the last five years, exceeding $59 billion in two-way trade in 2012 and
generating a U.S. trade surplus of over $5.5 billion. California exported $2.9 billion in manufactured goods to Brazil in 2011, and is the 3rd largest exporter of manufactured goods to Brazil.

Issues discussed at the hearing included:
- the prospects for Brazil to join negotiations regarding proposed regional trade agreements, such as the Trans-Pacific Partnership (TPP) and Trans-Atlantic Trade and Investment Partnership (TTIP), as well as a Trade in Services Agreement (TISA) and Information Technology Agreement (ITA).
- discussions regarding beginning negotiations for a Bilateral Economic Partnership Agreement between the United States and Brazil, as well as a bilateral tax treaty.
- opportunities for U.S. oil companies, such as Chevron and Exxon Mobil, to participate in deep water drilling and exploration in recently discovered oil deposits off Brazil’s coast.
- opportunities for U.S. manufacturing companies to expand their markets in Brazil and the challenges presented by such things as differences in laws and contracts and political risks.

For more information, go to: http://waysandmeans.house.gov/calendar/eventsingle.aspx?EventID=336879

**EDUCATION: HOUSE EDUCATION SUBCOMMITTEE EXAMINES POSTSECONDARY EDUCATION ACCREDITATION**

The House Committee on Education and the Workforce's Subcommittee on Higher Education and Workforce Training met on Thursday, June 13, 2013 for a hearing entitled: "Keeping College Within Reach: Discussing Program Quality through Accreditation." The hearing examined the role of accreditation in promoting the academic quality of postsecondary education programs through cooperation between the federal government, states, and accrediting agencies. These entities evaluate and determine which institutions are eligible to participate in federal student aid programs. Additionally, Congress passed the Higher Education Opportunity Act ("HEOA") in 2008 to help make the accreditation process more transparent, but additional reforms are being considered in its reauthorization. Specifically, the hearing explored a variety of proposals, including delinking accreditation from student aid programs and moving to more student outcome-focused metrics.

Witnesses included: Dr. Elizabeth H. Sibolski, President, Middle States Commission on Higher Education, Philadelphia, PA; Dr. Michale McComis, Executive Director, Accrediting Commission of Career Schools and Colleges, Arlington, VA; Ms. Anne D. Neal, President, American Council of Trustees and Alumni, Washington, D.C.; and Mr. Kevin Carey, Director of the Education Policy Program, The New America Foundation, Washington, D.C.

Ms. Neal discussed her belief that accreditation has failed American taxpayers, students, and families. She criticized the accreditation process for having low standards, resulting in schools that are failing to adequately educate students. Moreover, she took issue with the fact that accreditors (1) perform both a gate-keeping and self-improvement function, (2) have a vested interest in accreditation as school administrators, (3) operate as a monopoly, (4) serves as a barrier to innovation, (5) is too costly, and (6) interferes with institutional autonomy. She recommended that institutions post a statement on their websites, certified by an independent auditor, that they have sufficient resources to ensure that all enrolled students can be supported to the completion of their degrees. If the statement is not supplied, or is found inaccurate by the independent auditor, federal funds would be cut off. Alternatively, institutions could present a bond. Finally, she suggested that schools be required to provide families key information in a clear and readily accessible format on an annual basis, including cost of attendance; degree programs; graduation rates disaggregated by demographics; student loan default rates; student outcomes measured by licensure test results; and job placement rates – much of
which is already collected for the Department of Education's College Navigator site. This information could be independently certified so that if the data is falsified or inaccurate, federal funds would be cut off.

Dr. Sibolski described the accreditation process and improvement strategies, including: (1) promoting innovation in educational programs; (2) streamlining the accreditation process; (3) increasing the transparency of the accreditation process; (4) enhancing focus on student outcomes; and (5) improving on-going monitoring of institutions. Dr. Sibolski also discussed current challenges with the accreditation process, including: (1) better explaining modern accreditation; (2) encouraging effective collaboration; and (3) limiting unnecessary regulations.

For more information, go to:

**BRIEFING: CONNECT TO HOST GENOMICS AND DIAGNOSIS INNOVATION BRIEFINGS**

On June 27 and 28, 2013, CONNECT will host an Innovation 101 Capitol Hill Briefing highlighting two innovation stories that showcase emerging technologies in genomics and diagnosis and the challenges emerging tech companies face. The briefing on the Senate side will be held on Thursday, June 27, from 2:00 p.m.-3:00 p.m. in Room 215 Dirksen Senate Office Building, Washington, DC. The House briefing will be on Friday, June 28 from 9:30 a.m.-10:30 a.m. in Room 2325 Rayburn House Office Building, Washington, DC.

Speakers will include:

- Carol Cox, Senior Vice President, External Affairs and Corporate Communications, Life Technologies of San Diego, CA. Life Technologies is a global biotechnology company that provides innovative products and services to customers in the fields of scientific research, genetic analysis and applied sciences.

- Jerry Conway, Vice President, Reimbursement and Payer Strategy, Foundation Medicine, Inc. of Cambridge, MA. Foundation Medicine is a cancer diagnostics company that brings comprehensive genomic analysis to routine cancer care.

More information can be found at: #innovation101, or http://connect.org/innovation101.

To attend either of the briefings, please RSVP to: Theresa Andrews at tandrews@connect.org.