HEALTH: HOUSE PASSES 1-YEAR “DOC FIX”

After behind-the-scenes negotiations on Thursday, March 27, 2014, the House was able to pass by voice vote a one-year extension of the so-called “doc fix” that will prevent a 24 percent cut in Medicare payments to doctors that was set to hit on April 1st.

There had been some hope earlier this year that Congress would be able to develop a bipartisan repeal and replacement of the sustainable growth rate (SGR) formula, which sets the Medicare payment rates to physicians. But those efforts fizzled when agreement couldn’t be reached on how to pay for what would be an expensive extension. In the hours before the vote on H.R. 4302 its fate remained uncertain, as many members threatened to vote against it. Some opposed it because they wanted a permanent fix, or at least a longer extension, while other members objected to the offsets from other federal programs used to pay for the bill. The voice vote, which was agreed to by Republican and Democratic leaders, and quickly accomplished while few members were in the House chamber, seemed to be a way to keep members from having to publicly state their position on the bill. Initially, the Republican-led House had passed H.R. 4015, which contains language that would delay implementing Obamacare’s individual mandate for five years.

The Senate has already passed its own version, S. 2110, which extended the fix for 10 years, at a cost of some $150 billion. Majority Leader Harry Reid has now said he hopes to take up and pass the House bill by the end of this week.

For more information, go to:

NATURAL DISASTERS: HOUSE SUBCOMMITTEE REVIEWS ADVANCES IN EARTHQUAKE SCIENCE

On Thursday, March 27, the Energy and Mineral Resources Subcommittee of the House Natural Resources Committee held an oversight hearing on recent advances in earthquake science. In observance of the 50th anniversary of the Great Alaskan Quake, or the "Good Friday Alaska Quake,"
witnesses discussed the importance of the event in spurring great advances in earthquake science that are crucial to preparing for natural disasters of this scale in the future. At a magnitude 9.2, the Alaska Quake was the most powerful recorded earthquake in U.S. history and the second largest of all time. The earthquake generated a tsunami that reached across the entire west coast and claimed the lives of 129 people, including casualties in California. Today, the U.S. Geological Survey (USGS) partners with State, university, private-sector, and Federal stakeholders in the ongoing research and monitoring that are needed to strengthen the Nation's resilience to earthquakes and other hazards.

Witnesses included: Dr. William Leith, Senior Science Advisor for Earthquake and Geologic Hazards, U.S. Geological Survey; Dr. Lisa Grant Ludwig, President-Elect, Seismological Society of America, Graduate Director, Program in Public Health, University of California, Irvine; Dr. John Vidale, Director, Pacific Northwest Seismic Network, Professor, Department of Earth and Space Sciences; University of Washington; and Dr. Reginald DesRoches, School of Civil & Environmental Engineering, Georgia Institute of Technology.

As a professor at the University of California, Irvine and as the President-Elect of the Seismological Society of America, Dr. Ludwig emphasized three main points in her testimony: "In the 50 years since the Great Alaskan Earthquake, there has been a scientific revolution in understanding of earthquakes; federal investment in science has been directly responsible for tremendous advances in understanding earthquakes and the threat they pose to society; this investment has yielded valuable returns that benefit society by helping us to become an earthquake resilient nation." While earthquakes cannot be prevented, scientists know the areas that are most likely to be affected and the type of earthquakes that are most likely to occur, due in large part to federally supported research and seismic monitoring. Advanced computing technologies and access to supercomputers have enabled calculation of expected shaking from earthquakes on the San Andreas fault, the Cascadia subduction zone, and other important fault zones. The Great Southern California ShakeOut earthquake preparedness exercise which started in 2008 to prepare for the "Big One" on the San Andreas fault, has expanded into annual earthquake preparedness drills throughout seismically active areas of the US, and the world, with approximately 25 million participants last year. Earthquake data collected by the USGS, university researchers, and others, are used for development of National Seismic Hazard Maps which are incorporated into building codes for earthquake-resistant design. She urged Congress to support a real-time Earthquake Early Warning (EEW) system, continued funding of the Advanced National Seismic System (ANSS), and reauthorization of the National Earthquake Hazard Reduction Program (NEHRP) with appropriation of funds at levels that reflect the significant threat that earthquakes pose to our national security.

For more information, please visit:
HOMELAND SECURITY: SENATE COMMITTEE EXAMINES CYBER RISKS TO INFRASTRUCTURE

On Wednesday, March 26, the Senate Homeland Security and Governmental Affairs Committee held a hearing titled "Strengthening Public-Private Partnerships to Reduce Cyber Risks to Our Nation’s Critical Infrastructure." Following an Executive Order signed by President Obama last year, the National Institute of Standards Technology collaborated with industry stakeholders to develop a voluntary cybersecurity framework that reflected a common but flexible set of best practices for government entities, utilities, and businesses to better secure their information systems. A new program under the Department of Homeland Security is aimed at helping various organizations implement the framework into their cyber practices. “Every day, sophisticated criminals, hackers, and even nation states are probing our government agencies, universities, major retailers and critical infrastructure. They are looking for weak spots in our defenses. They want to exploit these weaknesses to cause disruptions, steal our personal information and trade secrets, or even worse, cause us physical harm,” opened Chairman Thomas Carper (DE), explaining the need for bipartisan legislation as a long-term solution to the growing threat of cyber attacks. Witnesses discussed current efforts to improve cyber security, and provided examples of public-private partnerships that are working on the state and federal level.

Witnesses included: Phyllis A. Schneck, Deputy Undersecretary of Homeland Security for Cybersecurity, National Protection and Programs Directorate; Donna Dodson, Chief Cybersecurity Adviser, National Institute of Standards and Technology, Department of Commerce; Stephen L. Caldwell, Director, Homeland Security and Justice Issues, Government Accountability Office; Elayne Starkey, Chief Security Officer, Delaware Department of Technology and Information; David M. Velazquez, Executive Vice President for Power Delivery, Pepco Holdings Inc.; Doug Johnson, Vice Chairman, Financial Services Sector Coordinating Council; and Steven R. Chabinsky, Chief Risk Officer, Crowdstrike Inc.

“We have been partnering with the US Department of Homeland Security since our program started in 2004,” Ms. Starkey of the Delaware Department of Technology and Information testified. “We have advanced our capabilities, thanks to applying funds from the Homeland Security Preparedness Grant Program to create government-wide programs that better secure our cyber infrastructure. We have used this money for annual employee awareness training, e-mail phishing simulations, technical training, and exercises that test our ability to detect, respond and recover from a simulated large scale cyber-attack. I am grateful to receive approval for this funding. Delaware, however, is an exception. In contrast, most of my peers in other states report limited success in competing with traditional Emergency Responders for just a small share of the grant funds. I urge Congress to carve out a portion of this funding for states to use exclusively on cyber security initiatives.”

Mr. Velazquez of Pepco Holdings explained the importance of leveraging government and industry expertise for the benefit of utility customers and the general public. “The government has intelligence-gathering capability and military forces; the utility sector needs the government to help identify threats and provide technological support to assist in the defense of our systems. Similarly, the utility sector has experience operating an electric utility system; the government must depend on this private sector engineering and operational expertise that keeps the grid running reliably in the face of all hazards.”

Ms. Schneck of the Department of Homeland Security offered further suggestions to Congress on how to strengthen public-private partnerships to enhance cybersecurity. First off, she emphasized the need to attract talent to government agencies and improve processes for hiring that will ensure that
recruitment efforts are not foiled. Also, she noted that legislation has not yet kept pace with the exponential growth of the Nation's dependence on cyber infrastructure. “To enable DHS and other agencies to more effectively and efficiently carry out their existing responsibilities, legislative action is necessary. We ask that such legislation, aligned in principle with the Administration’s 2011 legislative proposal, modernize FISMA and reflect the existing DHS role in agencies’ Federal network information security policies as well as clarify existing operational responsibilities for DHS in cybersecurity,” as a path towards “building a more secure and resilient future in which cyberspace remains a catalyst for innovation, growth, and prosperity.”


**NATURAL DISASTERS: HOUSE RESOURCES SUBCOMMITTEE REVIEWS EARTHQUAKE SCIENCE**

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As a professor at the University of California, Irvine and as the President-Elect of the Seismological Society of America, Dr. Ludwig emphasized three main points in her testimony: "In the 50 years since the Great Alaskan Earthquake, there has been a scientific revolution in understanding of earthquakes; federal investment in science has been directly responsible for tremendous advances in understanding earthquakes and the threat they pose to society; this investment has yielded valuable returns that benefit society by helping us to become an earthquake resilient nation." While earthquakes cannot be prevented, scientists know the areas that are most likely to be affected and the type of earthquakes that are most likely to occur, due in large part to federally supported research and seismic monitoring. Advanced computing technologies and access to supercomputers have enabled calculation of expected shaking from earthquakes on the San Andreas fault, the Cascadia subduction zone, and other important fault zones. The Great Southern California ShakeOut earthquake preparedness exercise which started in 2008 to prepare for the "Big One" on the San Andreas fault, has expanded into annual earthquake preparedness drills throughout seismically active areas of the US, and the world, with approximately 25 million participants last year. Earthquake data collected by the USGS, university researchers, and others, are used for development of National Seismic Hazard Maps which are
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For more information, please visit: http://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=372540

**TELECOM: SENATE JUDICIARY HOLDS HEARING ON SATELLITE TV**

On Wednesday, March 26, 2014 the Senate Judiciary Committee held a hearing on reauthorization of the Satellite Television Extension and Localism Act (STELA), which was last authorized in 2010 and is set to expire at the end of this year. STELA grants the satellite industry a compulsory copyright license to retransmit distant broadcast television content to consumers who are unable to receive a signal over-the-air. For many years, this license was the only way the satellite industry could provide broadcast television content to consumers, including locally tailored content, such as local news, weather, and sports. The law is often credited as having helped put two major, nationwide distribution platforms on an equal footing with the cable industry, giving consumers more choice, particularly in rural areas where cable is not always available.

The 2010 iteration of STELA extended its distant signal license for another five years, while updating all three of the compulsory copyright licenses for the digital era. Changes were made to further reduce reliance on the distant signal license, which has been an important goal of these reauthorizations since the local-into-local license was established, according to Chairman Patrick Leahy (VT). He noted his intention to reauthorize STELA this year, while taking into consideration concerns about the law that include the inherent restriction of the rights of content holders to negotiate on market-based terms that comes with compulsory copyright licenses, and the dilution of value of local stations from retransmissions of out-of-market broadcast stations. Witnesses testified on specific aspects of the reauthorization of STELA.

Witnesses included: Ellen Stutzman, Director of Research and Public Policy, Writers Guild of America, West, Los Angeles, Calif.; Alison Minea, Director and Senior Counsel of Regulatory Affairs, DISH Network, Washington, DC; Marci Burdick, Senior Vice President of Broadcasting, Schurz Communications, Inc., Mishawaka, Ind.; and John Bergmayer, Senior Staff Attorney, Public Knowledge.

The witnesses in support of STELA contended that a reauthorization would be in the best interest of content providers and consumers alike. “It is in the best interest of entertainment industry workers and the general public for broadcast content to be available to as many households as possible,” testified Ms. Stutzman. “Despite the digital transition and technological updates, there are still homes that cannot receive broadcast television using only an antenna. In addition, there remain areas of the country not served by local broadcast stations. We want to make sure that the 1.5 million subscribers who currently receive broadcast programming using the distant signal provisions of STELA can continue to do so. A clean reauthorization of STELA will preserve such access while protecting localism, which remains an important public interest goal. Broadcast television continues to offer the best employment standards for our members and others in the entertainment industry. Broadcast series typically produce more episodes, providing close to year-round employment for the hundreds of workers who make each show possible.”

Ms. Burdick noted that the “temporary” Section 119 distant signal license, crafted in the 1980s to grow a nascent satellite industry and now largely supplanted by the Section 2122 local license, does not
continue to benefit customers. “This reauthorization is, at its core, a satellite bill, and every household served by this license is deprived the benefits of locally-focused programming. If, however, this Committee determines that an extension of the distant signal license is warranted, we ask that any reauthorization not serve as a vehicle to reopen well-established copyright and retransmission consent provisions that are outside the scope of this Act and enable free local broadcast television,” she said.

For more information, please visit:

SOCIAL SERVICES: HOUSE EARLY CHILDHOOD SUBCOMMITTEE EXAMINES CHILD CARE BLOCK GRANTS

On March 25, 2014, the Early Childhood, Elementary and Secondary Education Subcommittee of the House Education and the Workforce Committee held a hearing titled "The Foundation for Success: Strengthening the Child Care and Development Block Grant Program." Recently, the full committee reviewed federal investment in early childhood care and development; this hearing focused specifically on the committee’s priorities for reauthorizing the Child Care and Development Block Grant (CCDBG) program, especially in light of the Senate's approval of the Child Care and Development Block Grant Reauthorization Act of 2014. The CCDBG program provides funds to states to help low-income families access child care through vouchers to pay for the child care provider of their choice.

In his opening statement, Chairman Todd Rokita (IN) cited a report released last year by Child Care Aware of America (CCAA) that ranked state child care center regulations and oversight. Overall, based on a combined score in a number of categories, California ranked in the bottom ten states. The report found 10 states, including California, failed to conduct monitoring visits or inspections at least once a year, among other shortfalls. Another report by CCAA found that California is among the top ten least affordable states for childcare.*

Chairman Rokita also noted that “Senate legislation includes language to raise standards for child care providers, requiring states to implement minimum training requirements and conduct annual inspections of licensed providers...[The legislation] also takes important steps to enhance transparency and better inform parents of their child care options. Under the bill, states are required to make public information on a range of key issues, including availability of child care services, the quality of providers, data on childhood development research and best practices. While many of these provisions will help to improve the quality of child care, we must also take steps to ensure these new requirements will help – not hinder – states in meeting the needs of children and their families.”


“Child care is a way of life today for the majority of families. Times have changed over the years and more mothers are working today than 24 years ago when the Child Care and Development Block Grant was first enacted,” said Ms. Koos. “Across the country, the most recent federal data shows that 1.5 million children on average every month are in CCDBG funded child care settings,” she added.
“I believe it’s time to provide some minimum protections for all our children across this great country and to ensure that public dollars are spent in an accountable way.”

On behalf of the Office of the Inspector General at the Department of Health and Human Services, Gloria Jarmon summarized a recent review of the Child Care and Development Fund, which concluded that states face significant challenges in meeting suggested program standards. “First, vulnerabilities exist in states’ standards and monitoring of child care providers that put the health and safety of some children at risk,” Ms. Jarmon said. “Two, weaknesses in certain states’ fiscal controls over obligation and liquidation activities put CCDF funds at risk of being misspent.” Ms. Jarmon emphasized the importance of ensuring the affordable child care services offered under CCDBG do not sacrifice quality or safety.

Linda Kostantenaco, president of the National Child Care Association, expressed support for raising the quality standards under CCDBG while also maintaining the program’s flexibility. “Such flexibility ensures parents the opportunity to find an appropriate child care center that satisfies their needs and the unique needs of their children,” Mrs. Kostantenaco said. “It is this array of choice that facilitates the best partnership between a family and their child care center.”

Chairman Rokita concluded the hearing by stating, “The reauthorization of the Child Care and Development Block Grant Act provides an opportunity to work together to advance bipartisan legislation that will help our nation’s most vulnerable children and families. I look forward to examining the strengths and weaknesses of the CCDBG program, and discussing opportunities for consensus between House priorities for reauthorization and the Senate-passed legislation.”

For the full testimony of witnesses, please visit:

*For the full Child Care Aware of America report “We Can Do Better: 2013 Update,” and their California specific findings regarding program requirements and oversight, please visit:
http://www.usa.childcareaware.org/public-policy/in-the-states-0

For the Child Care Aware of America report on affordability of childcare, please visit:
http://www.usa.childcareaware.org/costofcare

**RESOURCES: HOUSE TRANSPORTATION ASSESSES WATER QUALITY TRADING**

On Tuesday, March 25, 2014 the Water Resources and Environment Subcommittee of the House Transportation and Infrastructure Committee held a hearing titled "The Role of Trading in Achieving Water Quality Objectives." Witnesses included public and private sector stakeholders, who testified on the potential use of water quality trading as an innovative, market-based mechanism to cost-effectively achieve local water quality improvements. “The basic theory behind trading is that certain pollutant sources in a watershed may be able to achieve the same degree of control as others in the same area, but at lower cost. Trading programs allow sources with relatively low costs to generate credits by reducing loads in amounts greater than what is required of them. These credits can then be sold to others for whom the costs to achieve the same reductions are relatively much higher, thus achieving the same or better water quality improvement at lower overall cost,” explained Chairman Bob Gibbs (OH).

Witnesses discussed trading programs around the nation, and the issues surrounding water quality trading as a means for improving the environment and reaching compliance under the Clean Water Act.

Witnesses included: Carl Shaffer, President, Pennsylvania Farm Bureau, representing the American Farm Bureau Federation; Peter Tennant, Executive Director, Ohio River Valley Water Sanitation Commission, representing the Ohio Basin Trading Project and the Association of Clean Water Administrators; James J. Pletl, Director, Water Quality Hampton Roads Sanitation District, representing the National Association of Clean Water Agencies; Richard H. Moore, Professor, School
of Environmental and Natural Resources, The Ohio State University; Brent Fewell, partner, Troutman Sanders LLP, representing the National Water Quality Trading Alliance; Ann Pesiri Swanson, Executive Director, Chesapeake Bay Commission; and Mario Cordero, chairman, Federal Maritime Commission.

On behalf of the American Farm Bureau Federation, Mr. Shaffer summarized his main points as follows: “First, while the Farm Bureau supports the concept of water quality trading with voluntary participation, managing nutrients is inherently complicated and any water quality trading system must take that into account. Second, trading and offset programs are creatures of state law and they are tools that states may authorize and use to improve water quality. Third, trading, if properly designed and implemented, can help make attaining nutrient water quality standards more affordable, and attainable. Fourth, effective trading programs will not occur if EPA or states create a credibility crisis by imposing too many barriers to the orderly operation of a market. And, fifth, the underlying assumption that it is easy and inexpensive for farmers and nonpoint sources to reduce nutrient loading is a myth. “ He cautioned that while the concept of water quality trading has the potential to be useful for farmers, in practice it may pose significant challenges as regulatory and cost barriers may hinder the implementation of successful trading.

Since passage of the CWA in 1972, the estimated investment in the Nation’s wastewater infrastructure totals $1.4 trillion. While successes to date under the Act have been impressive and a majority of waters that once were impaired now meet water quality standards, data over the past several years suggest that the country may have hit a plateau in terms of water quality gains and that the gains made to date may be at risk absent additional investment.

As noted by Dr. Pletl, the U.S. Environmental Protection Agency (EPA) estimates repairing, replacing, and upgrading aging wastewater infrastructure will cost between $300 billion to $1 trillion over the next 20 years. Municipalities currently shoulder approximately 97% of the cost of clean water infrastructure projects, and face an immediate backlog of over $40 billion. Clean water utilities have raised rates by more than double the rate of inflation over the last decade to meet their current clean water challenges and existing debt obligations. Today 40% of households across America are already paying more out of their disposable incomes for wastewater management than EPA says is affordable. “Innovative, market-based approaches, like water quality trading, can stretch ratepayer dollars, improve the environment, create jobs, and stimulate the economy,” he concluded.

For more information, please visit: http://transportation.house.gov/calendar/eventsingle.aspx?EventID=373351

RESOURCES: HOUSE SUBCOMMITTEE ASSESSES IMPACT OF ESA ON FORESTS

On Wednesday, March 26, 2014 the Conservation, Energy and Forestry Subcommittee of the House Agriculture Committee held a hearing to review the impact of the Endangered Species Act (ESA) and related litigation on National Forest System management.


On behalf of the U.S. Forest Service, Mr. Peña outlined how relevant sections of the Act are integrated into core activities of the USFA, such as in managing habitat for threatened and endangered species, an integral part of the Forest Service mission. "In implementing the ESA, the Forest Service must work with the US Fish and Wild Service (USFWS) and National Oceanic and Atmospheric
Administration’s (NOAA) Fisheries who administer the Act. There are costs associated with protecting and recovering listed species; we have direct costs implementing the ESA in our processes and ancillary costs associated with litigation, and sometimes there are indirect costs, such as project delays or cancellations," he explained. While there is no formal accounting of the total economic impact of ESA-related litigation in which Forest Service decisions are sometimes challenged by industry, environmental organizations, states, Tribes, local governments, or individual citizens, only about two percent of all agency decisions are challenged in litigation. About 18 percent of cases filed against the agency allege ESA violations. According to a recently published study examining a 20 year period from 1989-2008, the Forest Service won completely 53.8 percent of their land management cases (plan and project), losing on some issue in 23.3 percent and settling 22.9 percent. The Forest Service prevailed fully in 51.8 percent of cases involving the ESA, according to the USFA.

To provide perspective from private landowners, Mr. Hopkins of the Forest Landowners Association detailed some of the challenges that his constituents face when it comes to the enforcement of the ESA. Letters threaten landowners with litigation should certain parcels of land be bought up, sometimes regardless of whether endangered species had actually been sighted there or not, according to Mr. Hopkins. "Needless to say, the cost to a private landowner of defending against such a lawsuit, let alone also facing the litigation over the other sides' costs and fees is daunting. Lawyers I have asked have estimated the costs of injunctive hearings, trials including scientific testimony, and appeals could easily exceed $2 million," he testified. He suggested that the ESA as it stands now is a "one-size-fits-all" approach that does not provide enough flexibility for the Forest Service to designate a varied enough classification system to the list of endangered species and associated outcomes in regards to decisions about their critical habitats.

In his testimony, Dr. Schildwachter suggested some of the implications within the ESA to illustrate in his view what the problems with the ESA are and how they might be resolved. He focused on improving processes for listing species, de-listing species, and how the Forest Service could be better managed to promote species recovery. He urged a review of Forest Service management, as well as suggested a move towards a central-planning system within the agency that he argues will be in line with promoting "actual, active species recovery."

For more information, please visit: