**BRIEFING: INSTITUTE TO HOST LUNCH BRIEFING ON IMPORTANCE OF MIDDLE SCHOOL GRADES FOR COLLEGE & CAREER READINESS**

On Friday, April 11, 2014, the California Institute will host a congressional staff briefing on "The Forgotten Middle and The Importance of Middle Grades for College and Career Readiness." The briefing will take place in B-354 Rayburn House Office Building, Washington, DC from 12:00 - 1:30 P.M. Lunch will be served.

The briefing will focus on The Forgotten Middle, ACT's research on college and career readiness before high school. ACT will use the briefing to release an executive summary of their latest research and highlight what progress, if any, has been made since The Forgotten Middle was issued in 2008. Presenters include Steve Kappler, Assistant Vice President and Head of Postsecondary Strategy, ACT, Inc.; and Quentin Wilson, President and CEO, Career & College Clubs.

The briefing will provide valuable information on America's progress in preparing young people for college and career, as well as highlight a successful effort in California to further student readiness.

ACT, Inc. is the nonprofit organization responsible for the ACT test -- the college admissions and placement test taken by more than 1.6 million high school graduates every year. Career & College Clubs, a program of Los Angeles-based nonprofit ALL Management Corp, is focused on preparing middle grade students for success in high school, college, and life. To attend the briefing RSVP to the California Institute at sullivan@calinst.org or 202-785-5456.

**SOCIAL SERVICES: SENATE PASSES EXTENSION OF UNEMPLOYMENT COMP**

With six Republicans joining the Democratic majority, the Senate on April 7, 2014, passed a bill extending unemployment compensation benefits by a vote of 59-38. H.R. 3979 extends through May 31, 2014 the federally provided emergency unemployment benefits that expired on December 31, 2013, and would be retroactive to January 1, 2014.

The bill pays for the extension by extending a "pension smoothing" law that allows employers to use historic interest rate averages to calculate pension contributions. It also extends through 2024 user fees collected by U.S. Custom and Border Protection. Finally, individuals with adjusted gross incomes

<table>
<thead>
<tr>
<th>CONTENTS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Briefing: Institute To Host Lunch Briefing On Importance Of Middle School Grades For College &amp; Career Readiness ................... 1</td>
</tr>
<tr>
<td>Social Services: Senate Passes Extension Of Unemployment Comp .......... 1</td>
</tr>
<tr>
<td>Budget: House Passes FY2015 Budget ........... 2</td>
</tr>
<tr>
<td>Energy/Trade: Ways &amp; Means Looks At Impact Of LNG Exports On Trade ........ 3</td>
</tr>
<tr>
<td>Education: House ED/Workforce Marks Up Charter School And Research Bills .......... 4</td>
</tr>
<tr>
<td>Space: Senate Subcommittee Assesses Future Of Space Cooperation ............ 4</td>
</tr>
<tr>
<td>Resources: House Resources Examines Endangered Species Bills ............. 6</td>
</tr>
</tbody>
</table>
of $1 million or more are prohibited from receiving unemployment benefits under H.R. 3979.

In the House, Speaker Boehner has indicated he will not bring the Senate bill to the floor. Instead, he and others are exploring ways to make the unemployment benefits extension part of a package that might include provisions streamlining job training programs. Other possible add-ons include extending tax breaks, such as bonus depreciation for businesses, or eliminating the 2.3 percent tax on medical devices.

**BUDGET: HOUSE PASSES FY2015 BUDGET**

In a 219-205 vote, the House adopted H. Con. Res. 96, the budget proposal introduced by the Chairman of the House Budget Committee, Paul Ryan (WI), after rejecting a Democratic alternative proposal by ranking member Chris Van Hollen (MD), 163-261, that relied more on tax increases to produce more modest deficit reduction. Both proposals would preserve the $1.014 trillion top line for discretionary spending and the separate limits on defense and non-defense spending for fiscal 2015 enacted in the Bipartisan Budget Agreement Act of 2013 (BBA), but diverge in policies for FY 2016-2024. The Ryan plan calls for a balanced budget by fiscal 2024 through an approximate $5 trillion cut to federal spending levels, while the Van Hollen alternative would have reduced the deficit by $1.8 trillion by raising taxes by nearly that same figure and cutting spending by $27 billion, leaving a $637 billion deficit, or 2.3 percent of GDP, allowing debt to shrink as a percentage of the U.S. economy.

As passed by the House, H. Con. Res. 96 would target cuts through the repeal of the Affordable Care Act and reduced spending on Medicare, Medicaid and other health programs -- also, the plan counts on stronger economic growth. The BBA provides $63 billion in sequester relief over fiscal years 2014 and 2015 that is split evenly between defense and non-defense. In fiscal year 2016 and beyond, the Ryan plan would generally assume that discretionary defense spending will no longer be subject to sequestration and would more than offset those increases by cuts to non-defense programs -- thereby raising defense spending by $483 billion over 10 years and cutting non-defense spending by $791 billion below sequestration levels.

Proponents claim that if enacted, H. Con. Res. 96 will decrease current spending growth between fiscal year 2015 to fiscal year 2024 from 5.2 percent to 3.5 percent a year on average. Under the Ryan plan, roughly $600 billion will be spent on food stamps and more than $3 trillion will be spent on Medicaid over the next decade, compared to local, state, and federal level spending of over $1 trillion a year on anti-poverty programs; this budget reflects on ongoing growth in spending on Medicaid over the next ten years, from $357 billion in fiscal year 2015 to $403 billion in fiscal year 2024. According to opponents, however, the Republican block-grant plan cuts $732 billion from the base Medicaid program over the next decade (in addition to repealing the Affordable Care Act expansion) -- amounting to a cut of 10 percent in 2016, rising to more than one-quarter in 2024, a scenario they argue could cause up to a third of Medicaid enrollees to lose coverage. They also argued that the plan cuts food assistance by $137 billion over ten years. The Ryan plan also cuts $52 billion in
transportation investments in 2015 and does not include an extension of emergency unemployment compensation.

The Congressional Budget Office has not evaluated the policy proposals or budget numbers used in H. Con. Res. 96, as released on April 1, 2014. Rather, the CBO has provided projected budgetary and economic outcomes under paths for federal revenues and spending (excluding interest payments) specified by Chairman Ryan.

For more information about the Ryan budget proposal, please visit: http://budget.house.gov/fy2015/.

ENERGY/TRADE: WAYS & MEANS LOOKS AT IMPACT OF LNG EXPORTS ON TRADE

On April 9, 2014, the House Ways and Means Trade Subcommittee, chaired by Rep. Devin Nunes (Tulare) held a hearing on the trade implications of U.S. energy policy and liquefied natural gas (LNG) exports. According to hearing documents, global energy markets and trade in energy products have undergone significant changes in the past few years, including the significant supply increases of natural gas in North America (U.S. reserves have increased by more than 75 percent) which has resulted in lower prices, and has led to the United States having enough supply to satisfy more than 100 years of domestic needs under current demand conditions. Given the changing energy landscape, and particularly in light of recent developments in Ukraine, many have called for reducing barriers to U.S. exports of LNG, while others have argued that reducing barriers could increase domestic prices. A recent Department of Energy (DOE) study found that overall, natural gas exports would benefit the U.S. economy and that the net economic benefits increase as the level of exports increases. Chairman Nunes stated, "As America ramps up its energy production and our trading partners seek to diversify their supplies, there is a renewed focus on the economic and geopolitical implications of exporting LNG. Increasing U.S. LNG exports could blunt Russia's ability to bully its neighbors, stabilize global energy supplies, and promote free trade and open markets around the world."

The hearing focused on the trade implications of U.S. energy policy and LNG exports, including: (1) the changing U.S. energy landscape and new and unconventional sources of energy; (2) the trade implications of removing barriers to U.S. LNG exports, including potential effects on the trade deficit; (3) economic implications of increased LNG exports, including creation of U.S. jobs and the effect on global supply chains and small- and medium-sized businesses; (4) geopolitical effects of increasing U.S. LNG exports; (5) issues related to energy security; and (6) the environmental impact of expanding LNG exports.

Witnesses included: Matthew J. Klaben, Vice President, General Counsel and Secretary, Chart Industries, Inc., on behalf of the National Association of Manufacturers; Judy Hawley, Chair, Port Commission, Port of Corpus Christi; Daniel J. Weiss, Senior Fellow, Center for American Progress; and Ms. Sarah O. Ladislaw, Director and Senior Fellow, Energy and National Security Program, Center for Strategic and International Studies.

On behalf of the National Association of Manufacturers, Mr. Klaben testified that "the DOE licensing process has become a regulatory choke point for LNG export applicants; at DOE's current pace, some of the applications in the queue could be waiting until 2016 or later before they can move to the next step in the multi-year permitting process. As we look at demands growing in Europe, Asia and elsewhere, we believe this process is far too slow and contrary to our long tradition as an exporting nation and to our international obligations." He argued in favor of a "free trade and open market" approach to the governance of LNG exports, which he said would help manufacturers increase the supply of LNG and create jobs. The Port Commissioner of Corpus Christi, Ms. Hawley, also testified in favor of expanded exports of LNG in order to support job growth, while Ms. Ladislaw testified that "LNG exports are consistent with a longstanding U.S. energy and trade policies of promoting freer
markets and a diversity of supply, which in turn will help make energy markets more competitive, diverse, and stable."

Arguing for a more wary approach to a concerted expansion of LNG exports, Mr. Weiss cited a study by the Energy Information Administration (EIA) that found that natural gas exports will lead to increased gas prices domestically, which would be difficult for individuals and manufacturers alike. The EIA study argued that manufacturers "would experience a 28 percent price increase in direct natural gas costs between 2013 and 2020." Mr. Weiss concluded that while "the huge increase in domestic shale gas production provides many benefits to the United States, including a home grown, cleaner, cheaper fuel for electricity generation, and more jobs in the oil and gas industry...the approval of additional LNG export applications should occur only if they do not cause electricity price spikes that would harm families and business budgets, or impair the recent manufacturing renaissance."

For more information, please visit:

EDUCATION: HOUSE ED/WORKFORCE MARKS UP CHARTER SCHOOL AND RESEARCH BILLS

On April 8, 2014, the House Education and the Workforce Committee approved the Success and Opportunity through Quality Charter Schools Act (H.R. 10) and the Strengthening Education through Research Act (H.R. 4366) with bipartisan support. The first bill, H.R. 10, supports state efforts to start, expand, and replicate successful charter schools and was passed with 36 yeas and 3 nays. The latter bill, H.R. 4366, aims to strengthen the federal education research system to make research and evaluations more timely and relevant to state and local needs in order to increase student achievement. It was adopted by voice vote.

"I am pleased the committee approved with bipartisan support two pieces of legislation that will help raise the bar in our nation's schools," Chairman John Kline (MN) said. "By advancing proposals to encourage the growth of high-performing charter schools and help school leaders access more useful education research, we have taken an important step forward in the fight to improve K-12 education in America. These bipartisan proposals highlight the progress we can make when we work together in good faith, and I hope to build upon today's success as I continue to advocate for a full reauthorization of the Elementary and Secondary Education Act."

Rep. George Miller (Martinez), ranking member of the full Committee, said: "These are two strong, bipartisan proposals to improve our nation's education system. The Strengthening Education through Research Act strikes the proper balance between rigor and relevance, ensuring education research solves the real problems faced by students and those who work with them. And in reauthorizing the Charter School Program, H.R. 10 course corrects federal investments to ensure quality, accountability, and equity. But this is only part of the solution. More must be done to guarantee that all public charter schools are high-quality and equitably serve all students." He voiced a commitment to "reauthorizing the Elementary and Secondary Education Act to improve the quality and oversight of all schools -- charter and noncharter -- that receive Title I funds."

To access mark-up materials for each bill, please visit:
http://edworkforce.house.gov/calendar/list.aspx?EventTypeID=190

SPACE: SENATE SUBCOMMITTEE ASSESSES FUTURE OF SPACE COOPERATION

On April 9, 2014, the Science and Space Subcommittee of Senate Commerce, Science and Transportation Committee held a hearing titled, “From Here to Mars.” The hearing featured experts on
NASA exploration strategy, international cooperation in space, and commercial space efforts. While international rivalry once dominated space exploration, there are now significant feats of international cooperation that have often influenced exploration policy. In preparation for an eventual crewed mission to Mars, NASA and its international partners have studied a series of intermediate missions to demonstrate the technologies required for long duration space travel. Possible mission destinations include a near Earth asteroid – as proposed by the Administration in order to develop and test critical technologies for propulsion and navigation, among others – as well as the lunar surface. However, troubled U.S.-Russia relations, alternative mission destinations, and a strengthening Chinese space program may complicate international cooperation.

Witnesses included: William H. Gerstenmaier, Associate Administrator, Human Exploration and Operations, National Aeronautics and Space Administration (NASA); Susan Eisenhower, Chairwoman Emeritus, Eisenhower Institute, and President, Eisenhower Group Inc.; Leroy Chiao, Special Adviser for Human Spaceflight, Space Foundation, and Chairman, National Space Biomedical Research Institute User Panel; and Jeffrey Manber, Managing Director, NanoRacks LLC.

Ms. Eisenhower outlined several reasons why she believed that though “it is essential for the United States and its allies to respond to the ongoing situation in Ukraine with appropriate and well-targeted sanctions on Russia...I do not believe...that disengaging in space cooperation is in our national interest.” Given NASA’s recent announcement that they will “suspend a majority of its ongoing engagements with Russia,” with the US-Russian cooperation in the International Space Station (ISS) a notable exception, she argued that these “sweeping limitations are a mistake.” She noted that there are not always clear distinctions about what could be considered work on the ISS and not, because “continuous improvement and enhanced work on human safety and hardware investment is often made through tangential contacts and interaction.” Private enterprise is increasingly important to the success of the ISS and could potentially be affected by these kinds of limitations.

From a more domestic perspective, Mr. Chiao, as a special adviser to the Space Foundation, testified to the shortcomings of the budget in allowing NASA “to create a robust, integrated, international exploration plan that will lead us into the next exciting phase of human spaceflight,” saying that today it does not have enough resources to do so, and that “the U.S. human spaceflight program drives technology development by employing our citizens to advance the state of the art in several fields. Many of these technologies are adapted to purposes, which improve the quality of life for people on the Earth. These are very good reasons for our nation to maintain a robust human spaceflight program.” Mr. Gerstenmaier of NASA reiterated this point, saying that “NASA’s Human Research Program continues to develop biomedical science, technologies, countermeasures, diagnostics, and design tools to keep crews safe and productive on long-duration space missions. The progress in science and technology driven by this research could have broad impacts on Earth as it advances our ability to support long-duration human exploration.” From this testimony it is evident that the implications of government support for NASA in complementing commercial investment will have broad implications for many industries integral to California's economy, beyond those for California-based commercial space companies.

For more information, please visit:
http://www.commerce.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=1267a193-67e5-48be-b877-b5591cb9d08b&ContentType_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group_id=b06c39af-e033-4c8a-9221-de668ca1978a
RESOURCES: HOUSE RESOURCES EXAMINES ENDANGERED SPECIES BILLS

On April 8, 2014, the House Natural Resources Committee held a hearing on four bills that would make changes to the Endangered Species Act of 1973: H.R. 4315, the 21st Century Endangered Species Transparency Act; H.R. 4316, Endangered Species Recovery Transparency Act; H.R. 4317, the State, Tribal, and Local Species Transparency and Recovery Act; and H.R. 4318, the Endangered Species Litigation Reasonableness Act.

Witnesses included: Steven Courtney, Associate, National Center for Ecological Analysis and Synthesis, Santa Barbara, Calif.; Michael Bean, Counselor to the Assistant Secretary of the Interior for Fish and Wildlife and Parks; Sam Rauch, Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service, Department of Commerce; Rob Roy Ramey II, Nederland, Colo.; Kel Seliger, Texas state senator, Amarillo, Texas; Tom Jankovsky, Commissioner, Garfield County, Glenwood Springs, Colo.; Karen Budd-Falen, Owner, Budd-Falen Law Offices, Cheyenne, Wyo.; Robert V. Percival, Professor of Law, Francis King Carey School of Law, University of Maryland; and Kent Holsinger, attorney, Holsinger Law, Denver, Colo.

“Although the Department cannot support these four bills in their current form, the [Department of the Interior, Fish and Wildlife and Parks] recognizes the importance of data transparency and availability and is willing to work with the Committee to address the issues that the bills raise,” testified Mr. Bean.

If enacted, H.R. 4315 would establish a requirement to make publically available on the internet the best scientific and commercial data that are the basis for each listing determination. Mr. Bean testified that “the studies, reports, and research publications by state agencies or their employees are often the best studies and analyses available to the Service. A broad-ranging requirement to post on the internet this state data – particularly if that requirement extends to the raw data underlying such studies and analyses – would almost certainly elicit a number of well-considered concerns from the states themselves.” Some state laws prohibit the release of certain wildlife data, and in other instances are reluctant to have certain data widely disseminated via the internet. “To the extent that such data reveals the location of rare or sensitive species, its disclosure would put such species at added risk, both from collectors or vandals as well as from people with entirely innocent motives, such as the desire to get an up-close photo of an eagle and its young in their nest, or of prairie-chickens displaying on their mating grounds. The ability of states, and of scientific researchers generally, to gather wildlife data often depends upon the willingness of private landowners to grant them access to their lands. Many landowners can reasonably be expected to be less likely to grant such access if they know that the data collected on their land would be posted on the internet. Their concerns might include the well-being of the wildlife on their land as well as their own sense of privacy and desire not to have to contend with trespassers, vandals, and simple curiosity seekers. The disclosure requirement that the sponsors of H.R. 4315 intend to produce better scientific data could have the unintended consequence of reducing the amount and quality of such data. While the Service is willing to explore other approaches, it has generally found satisfactory to most states and researchers its current records management process.”

These concerns were further reiterated by Mr. Courtney of the National Center for Ecological Analysis and Synthesis in Santa Barbara, CA, as he outlined situations in which “complete transparency can be detrimental.”

If H.R. 4317 were enacted, it would amend the ESA to require the Fish and Wildlife Service to provide states with all data used in ESA section 4(a) determinations prior to making its determination, and define “best available scientific and commercial data” to include all data submitted by a state, or tribal or county government. As explained by Mr. Bean, while the states are often among the best sources of such information, particularly with respect to game and other actively managed species,
sometimes the best available scientific information may come from such sources as universities, museums, conservation organizations, and industry. “Thus, to define ‘best scientific and commercial data available’ as always including data submitted by a state, tribal or county government – as H.R. 4317 does – may not always be accurate. Section 4(b)(1) of the Act already requires the Service to take into account the efforts and views of states and their political subdivisions when making listing decisions, and Section 4(l) requires the Service, if it makes a listing determination at odds with the recommendations of a state, to provide that state with a written explanation of the reasons for doing so. Finally, it should be noted that defining all data submitted by states or counties as the ‘best available,’ would create a quandary if there were conflicting data from such sources.” Mr. Courtney also concurred with this assessment, and suggested that “efforts to improve federal decision-making under ESA may instead be best served by programs that provide opportunity and resources for increased consultation and collaborative assessments.”

Both H.R. 4316 and H.R. 4318 would reform litigation under the ESA, in efforts to focus resources on conservation rather than litigation. “In consultation with Department of Interior’s Solicitor’s Office, we find it is unclear whether the amendment as drafted would actually amend the ESA to place a cap on fees and awards and, even if it did, considering the complex interplay between the provisions of the Equal Access to Justice Act and the Endangered Species, whether doing so would have the intended effect. The Service would like to explore with the Committee whether there are administratively easier means of tracking and reporting fee awards than what has been proposed,” Mr. Bean noted.

To access the full testimony of witnesses, as well as more information about each bill, please visit: http://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=374401