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.

**APPROPRIATIONS: HOUSE APPROPRIATIONS SUBCOMMITTEE REPORTS FY15 TRANSPORTATION/HUD BILL**

On May 7, the House Appropriations Subcommittee approved by voice vote the fiscal year 2015 Transportation, Housing and Urban Development funding bill, which includes funding for the Department of Transportation, the Department of Housing and Urban Development, and other related agencies.

In total, the bill reflects an allocation of $52 billion in discretionary spending – an increase of $1.2 billion above the fiscal year 2014 enacted level and a decrease of $7.8 billion from the President’s budget request. However, given the reduction in offsets caused by a decline in Federal Housing Administration receipts, the program level within the bill is more accurately $1.8 billion below the current level, according to committee documents.

Highlights include:

- The bill includes $17.1 billion in discretionary appropriations for the Department of Transportation for fiscal year 2015. This is $727.3 million below the fiscal year 2014 enacted level and $5.8 billion below the President’s request. Nearly $40.25 billion from the Highway Trust Fund would be spent on the Federal Highway program, equal to the fiscal year 2014 level. This funding is contingent on the enactment of new transportation authorization legislation, as the current authorization expires this year.

- Included in the legislation is $15.7 billion in total budgetary resources for the Federal Aviation Administration (FAA), which is $7.3 million below the fiscal year 2014 enacted level and $446 million above the request. This will provide full funding for all air traffic control personnel, including 14,800 air traffic controllers, 7,300 safety inspectors, and operational support personnel.

- The bill also fully funds the FAA’s Next Generation Air Transportation Systems (NextGen) at $852.4 million, and funds Contract Towers at $140 million. These investments are aimed at easing future congestion and helping reduce delays for travelers in U.S. airspace. In addition, the bill rejects the Administration’s proposals for new passenger facility and general aviation fees.

- The Federal Railroad Administration is funded at $1.4 billion, a reduction of $193 million below the fiscal year 2014 enacted level. This includes $340 million for Amtrak operations, which will continue service for all current routes, and $850 million for capital grants. The bill also continues policy reforms for Amtrak such as requiring overtime limits on Amtrak employees and prohibiting federal funding for routes.
where Amtrak offers a discount of 50% or more off normal, peak fares. In addition, rail safety and research programs are funded at $220.5 million, $750,000 over the fiscal year 2014 enacted level. This will fund inspectors and training to help ensure the safety of communities and the thousands of passengers that use commuter, regional, and long-distance rail every day. No funding is provided for High-Speed Rail.

- The bill provides for $10.5 billion for the Federal Transit Administration (FTA) – $253 million below the fiscal year 2014 enacted level. Transit formula grants are funded at $8.6 billion, consistent with 2014 and the final year of MAP-21 authorization legislation. This funding is contingent on the enactment of new transportation authorization legislation, as the current authorization expires this year. Within this amount, the legislation provides a total of $1.7 billion for Capital Investment Grants (“New Starts”), full funding for all current “Full Funding Grant Agreement” transit projects, and full funding for all state and local “Small Starts” projects that will begin in fiscal year 2015. These programs provide competitive grant funding for major transit capital investments – including rapid rail, light rail, bus rapid transit, and commuter rail – that are planned and operated by local communities.

- The legislation contains funding for the various transportation safety programs and agencies within the Department of Transportation. This includes $824 million in both mandatory and discretionary funding for the National Highway Traffic Safety Administration (NHTSA) – an increase of $5 million over the fiscal year 2014 enacted level – and $572 million for the Federal Motor Carrier Safety Administration. Also included is $205.2 million for the Pipeline and Hazardous Materials Safety Administration, an increase of $19.4 million over the fiscal year 2014 enacted level.

- The legislation funds National Infrastructure Investment grants (also known as TIGER grants) at $100 million, $500 million below the fiscal year 2014 enacted and $1.15 billion below the request. However, the legislation limits the use of these grants to projects that will address critical transportation needs, such as road, highway, and bridge construction and improvement, and port and railroad intermodal improvements.

- The Department of Housing and Urban Development would receive a total of $40.3 billion for a decrease of $769 million below the fiscal year 2014 enacted level and $2 billion below the request. The bill does not contain funding for any new, unauthorized “sustainable,” “livable,” or “green” community development programs. Public and Indian Housing would be funded at $26.3 billion. This is an increase of $6.2 million above the fiscal year 2014 enacted level and $1.2 billion below the requested level. The bill also fully funds the President’s request for veterans’ housing vouchers at $75 million. Other housing programs within the bill are funded at $10.4 billion – a reduction of $115.6 million below the fiscal year 2014 enacted level. While a reduction, this funding will continue assistance to all those currently served by these programs, according to committee documents. In addition, the bill provides $420 million for Housing for the Elderly, $36.5 million above the fiscal year 2014 enacted level, and $135 million for Housing for Persons with Disabilities, an increase of $9 million above the fiscal year 2014 enacted level.

- The bill contains $6.2 billion for Community Planning and Development programs – a reduction of $383 million below the fiscal year 2014 enacted level. The Community Development Block Grant formula program is funded at $3 billion – effectively equal to last year’s level – while the HOME Investment Partnerships Program is funded at $700 million, a reduction of $300 million below the fiscal year 2014 enacted level. Homeless assistance grants are funded at $2.1 billion – the same as the previous year’s level – which is sufficient for all current grants to be continued.
For the subcommittee draft text of the legislation, please visit:

**APPROPRIATIONS: FULL COMMITTEE APPROVES FY15 FUNDING FOR COMMERCE, JUSTICE, SCIENCE**

The House Appropriations Committee on May 8, 2014 favorably reported its FY 15 Commerce, Justice, Science appropriations bill by voice vote. The legislation contains $51.2 billion in total discretionary funding. This is a reduction of $398 million below the fiscal year 2014 enacted level.

During the markup most amendments aimed at increasing funding were either withdrawn or defeated. Among the handful of amendments that were adopted are:

- An amendment to increase funding for Pacific Coastal Salmon Recovery by $15 million to continue the current level of funding. The amendment is offset by reductions in Periodic Census and National Science Foundation research funding. The amendment was adopted on a voice vote.
- An amendment that prohibits funding for an unauthorized reporting and registration requirement – proposed by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) – on the sale of multiple rifles to the same person in various border-states. The amendment was adopted on a vote of 29-18.

Highlights of the bill include:

**Department of Justice (DOJ)** – The bill funds DOJ at $27.8 billion, an increase of $383 million above the fiscal year 2014 enacted level. That funding includes a total of $2.1 billion for various grant programs, a reduction of $73 million below the fiscal year 2014 enacted level. This includes:

- $425.5 million for Violence Against Women programs;
- $376 million for Byrne Justice Assistance Grants;
- $210 million for the State Criminal Alien Assistance Program. Funding for the program in FY14 was $180 million. California historically receives about 40 percent of the funds.
- $45.4 million for Victims of Trafficking grants; and
- $67 million for missing and exploited children programs.

**National Aeronautics and Space Administration (NASA)** – NASA is funded at $17.9 billion in the bill, which is $250 million above the 2014 enacted level. This funding includes:

- $4.2 billion for Exploration – $54 million above the fiscal year 2014 enacted level. This includes funding to keep NASA on schedule for upcoming Orion Multi-Purpose Crew Vehicle and Space Launch System flight program milestones, and to continue progress in the commercial crew program.
- $5.2 billion for NASA Science programs – $42 million above the 2014 enacted level.

**Department of Commerce** – The bill includes $8.35 billion for the Commerce Department, which is an increase of $171 million above the fiscal year 2014 enacted level and a decrease of $395 million below the President’s request for these programs. This includes funding for the following agencies:

**Patent and Trademark Office (PTO)** – The bill provides $3.46 billion for the PTO, which is equal to the estimated amount of fees to be collected by the PTO during fiscal year 2015, and is $434 million above the fiscal year 2014 enacted level. The bill also includes a provision that allows the PTO to use any fees in excess of the estimated collected amount, subject to Congressional approval.

**National Oceanic and Atmospheric Administration (NOAA)** – The legislation contains $5.3 billion for NOAA, virtually equal to the fiscal year 2014 enacted level.

**Economic Development Administration (EDA)** – The bill includes $247.5 million in funding for the EDA – about equal to the fiscal year 2014 enacted level. This includes $5 million in grant funding to help encourage the repatriation of overseas jobs back to the U.S.

**National Science Foundation (NSF)** – The legislation funds NSF at $7.4 billion, an increase of $237 million above the fiscal year 2014 enacted level. This funding is targeted to programs that foster
innovation and U.S. economic competitiveness, including funding for research on advanced manufacturing, cybersecurity, neuroscience and STEM education.

For more information on the bill, go to:

TRANSPORTATION: SENATE COMMITTEES CONSIDER TRANSPORTATION REAUTHORIZATION

On May 6, 2014, the Senate Finance Committee held a hearing titled "New Routes for Funding and Financing Highways and Transit." The committee considered priorities for reauthorizing and fixing the Highway Trust Fund, which feeds money into transportation projects and is currently facing a “fiscal cliff” in which funds are predicted to run out this summer. Fixing the trust fund in the short term will require $10 billion to keep it solvent through the calendar year alone, and $100 billion just to keep the Highway Trust Fund solvent for six years. Witnesses also discussed mechanisms by which private capital could be leveraged to invest in critical infrastructure projects.

Witnesses included: Senator Barbara Boxer, California; Joseph Kile, Assistant Director, Microeconomic Studies Division, Congressional Budget Office; Aubrey L. Layne, Jr., Secretary of Transportation, State of Virginia; Jayan Dhru, Managing Director, Corporate and Infrastructure Ratings, Standard and Poor's Ratings Services, New York, N.Y.; Samara Barend, Senior Vice President and P3 Development Director, AECOM Capital, New York, N.Y.; and Chris Edwards, director, Tax Policy Studies, Cato Institute.

Senator Boxer emphasized the importance of a long-term bill that would give states, cities, and businesses involved in transportation the certainty needed to plan long-term projects. She outlined a number of bipartisan revenue options that could fund a long-term bill, including: replacing a cents-per-gallon gas tax with a sales tax on the wholesale price of gasoline and diesel; indexing and increasing the federal gas and diesel taxes, which have not been raised in over 20 years; and using revenue generated from reform of the tax code. “Many states have already announced that they are postponing or canceling critical transportation projects due to the fear that Federal funds will be delayed or cut off. This will have a domino effect that will be felt throughout the economy,” she said.

While a long-term solution is necessary, the short-term issue of the insolvency of the Highway Trust Fund is critical. The Department of Transportation has indicated that it will probably need to delay payments to states at some point during the summer of 2014 in order to keep the fund's balance above zero, as required by law. Then, if nothing changes, the trust fund's balance will be insufficient to meet all of its obligations in fiscal year 2015, and it will incur steadily accumulating shortfalls in subsequent years. If lawmakers do not take action, all of the receipts credited to the fund in 2015 would be needed to meet obligations made before that year; none would be available to cover any new commitments that would be made in 2015. Mr. Kile, on behalf of the Congressional Budget Office, outlined three options for addressing these projected shortfalls: spending on highways and transit could be reduced, revenues credited to the trust fund could be increased; or the trust fund could continue to receive supplements from the Treasury's general fund. He also said that federal policies that encourage partnerships between the private sector and a state or local government may facilitate the provision of additional transportation infrastructure, but a review of those projects offers little evidence that public-private partnerships provide additional resources for roads except in cases in which states or localities have chosen to restrict spending through self-imposed legal constraints or budgetary limits. In a later part of his testimony, he detailed more fully options for financing the Highway Trust Fund and their respective impacts.

Mr. Dhru, along with Ms. Barend and Mr. Edwards, testified in support of federal policy options that would enhance the viability of public-private partnerships (P3s) in infrastructure. Mr. Dhru stated that the two policies that the federal government should focus on are to standardize project finance and enhance transparency, information, market visibility and predictability, and to minimize political and regulatory risk.
“Institutional investment thrives on certainty and having a clear vision of how expenditures are recovered, is vital to increased investor participation,” he said.

For more information, and the full testimony of witnesses, please visit: http://www.finance.senate.gov/hearings/hearing/?id=cf26a684-5056-a032-52ec-09f777fb7a54

In related news, this week the Senate Commerce, Science and Transportation Committee also held a hearing on surface transportation reauthorization. Anthony Foxx, the Secretary of Transportation testified before the Committee on not only the reauthorization of surface transportation programs, but also reviewed the Administration’s surface transportation reauthorization proposal, the “GROW AMERICA Act”. In addition, he highlighted the need to allocate more resources to underfunded areas of the nation’s transportation system, including to programs that move freight, focus on safety, and concentrate on growing rail service. The Generating Renewal, Opportunity, and Work with Accelerated Mobility, Efficiency, and Rebuilding of Infrastructure and Communities throughout America Act, or GROW AMERICA Act, is a $302 billion, four-year transportation reauthorization that proposes to increase funding and provide stability for U.S. highways, bridges, transit, and rail systems. The Administration’s proposal is funded by supplementing current revenues with $150 billion in one-time transition revenue from business tax reform. This will prevent a shortfall for four years and increase investments to meet national economic goals, Secretary Foxx claimed. He outlined the major provisions in the proposal: $199 billion to invest in the Nation’s highway system, $7 billion focused on car and truck safety measures, $72 billion to invest in transit systems and expand transportation options, improve project delivery and the Federal permitting process, and tools and resources to encourage regional coordination and local decision making.

For the full testimony of Secretary Foxx, please visit: http://www.commerce.senate.gov/public/index.cfm?p=Hearings&ContentRecord_id=30833cc3-1974-4247-9702-32ddc3e54a41&ContentType_id=14f995b9-dfa5-407a-9d35-56cc7152a7ed&Group_id=b06e39af-e033-4cba-9221-de668ca1978a

AGRICULTURE: SENATE COMMITTEE REVIEWS 2014 FARM BILL

On May 7, 2014, Secretary of Agriculture Tom Vilsack testified before the Senate Agriculture, Nutrition and Forestry Committee on the implementation of the 2014 farm bill. The new farm bill, with 12 titles and more than 450 provisions, is a large piece of legislation and implementing it has required a coordinated effort across all areas of USDA. In the roughly 13 weeks since enactment, USDA has held 17 outreach and listening sessions, as well as additional stakeholder outreach activities at the agency level, to share information and hear from stakeholders on the implementation process. In his testimony, Secretary Vilsack provided updates on the implementation of each of the 12 titles in the farm bill.

Under Title I, the new farm bill reauthorizes disaster assistance programs that have not been operational since 2011, allowing USDA to provide additional, much-needed relief to struggling farmers and ranchers, especially in light of historic drought conditions. At the direction of the President, USDA has made the disaster programs the number one priority and expedited the implementation of programs and getting assistance quickly out-the-door to producers, he stated. On April 15, 2014, USDA began accepting applications for disaster assistance programs restored in the 2014 Farm Bill, including the Livestock Forage Disaster Program, the Livestock Indemnity Program, the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program, and the Tree Assistance Program; it received about 33,000 applications within the first two weeks.

Due to new Title II mandates, many conservation programs are being consolidated. On May 1, USDA began accepting applications for the new farm bill Agricultural Conservation Easements Program (ACEP) and for the Voluntary Public Access and Habitat Incentive Program (VPA-HIP). USDA has made available up to $366 million for conservation easements under ACEP, which consolidated three former easement programs (the Farm and Ranch Land Protection Program, the Grassland Reserve Program and the Wetlands Reserve Program). This consolidation will make participation easier for farmers, ranchers and
participating entities, as well as reduce administrative burdens on USDA employees, the Secretary stated. Up to $20 million also is available this year for VPA-HIP, a competitive grant program that enables state and Tribal governments to increase opportunities for owners and managers of private lands who want to make their land available for public recreation.

Title III enables the USDA to continue funding for trade promotion and market expansion for U.S. agricultural products overseas. USDA has moved quickly to implement trade promotion programs reauthorized under the 2014 Farm Bill, said Secretary Vilsack. Through the Market Access Program (MAP), USDA has provided $171.8 million in Fiscal Year 2014 funds to 62 nonprofit organizations and cooperatives to help build commercial export markets for U.S. agricultural products and commodities. Through the Foreign Market Development (FMD) Program, USDA has provided $24.6 million in Fiscal Year 2014 funds to 22 trade organizations to help create, expand, and maintain long-term export markets for U.S. agricultural products. USDA also began accepting applications for Fiscal Year 2015 export development program funding on April 17, 2014. In addition to MAP and FMD programs, eligible organizations can apply for funding through the Quality Samples Program (QSP), Emerging Markets Program (EMP), and the Technical Assistance for Specialty Crops (TASC) Program, which includes the programmatic change under the 2014 Farm Bill to allow participants to address technical barriers to trade regardless of whether they are related to a sanitary or phytosanitary barrier, Secretary Vilsack explained.

In addition to advising state agencies of changes to the Supplemental Nutrition Assistance Program under Title IV, the USDA also released a Request for Applications to all state agencies for the Fresh Fruit and Vegetable Program (FFVP) pilot authorized under the new farm bill. The pilot will operate in at least five states during school year 2014-2015, and allow schools in the FFVP in selected States to serve non-fresh forms of fruits and vegetables through the FFVP. Applications are due by June 15, 2014.

Drawing on the final results of the 2012 Census of Agriculture data released last week, Secretary Vilsack explained that while the farming population is aging, there is reason to be optimistic about growth in key areas. The number of young farmers has increased slightly, and the number of minority farm and ranch principal operators increased dramatically, reflecting the changing face of America as a whole. The Census data also show that the number of very large farms held steady, but the middle—farms and ranches that are middle-sized and mid-income—has suffered in recent years. “We can and we must do more to support those living and working in rural America now, including a focus on assisting middle-sized farms, while creating the kind of jobs and opportunity that encourage young people to get into the business of farming, and attracting and retaining the next generation talent in rural America. Working with community and local government partners, our efforts have had a significant impact thus far. We have invested billions in critical infrastructure, essential nutrition assistance, and land and water conservation. Moving forward, we must step up our efforts to invest in areas with high potential for growth, including expanding marketing opportunities for farm and ranch products both at home and abroad; investing in the emerging bioeconomy; advancing conservation efforts that preserve land and water resources; and supporting critical research that will prepare our farmers and ranchers to address modern challenges. The 2014 Farm Bill gives USDA new and enhanced tools to help accomplish this mission and build on these ongoing efforts in rural America,” he said.

To learn more about the implementation of the 2014 farm bill, please visit: http://www.ag.senate.gov/hearings/2014-farm-bill_implementation-and-next-steps

**SCIENCE: DOE AWARDS RESEARCH GRANTS TO 13 CALIFORNIA SCIENTISTS**

In May 2014, the Department of Energy's Office of Science selected 35 scientists from across the nation, including 17 from DOE’s national laboratories and 18 from U.S. universities, to receive significant funding from the Early Career Research Program. Of these 35 award recipients, 13 are from California-based national laboratories and universities. The effort, now in its fifth year, is designed to bolster the nation’s scientific workforce by providing support to exceptional researchers during the crucial early career years, when many scientists do their most formative work. “By supporting our most creative and
productive researchers early in their careers, this program is helping to build and sustain America’s scientific workforce,” said Patricia M. Dehmer, Acting Director of DOE’s Office of Science. “We congratulate this year’s winners on having competed successfully for these highly selective awards, and we look forward to following their accomplishments over the next five years.”

Under the program, university-based researchers will receive at least $150,000 per year to cover summer salary and research expenses. For researchers based at DOE national laboratories, where DOE typically covers full salary and expenses of laboratory employees, grants will be at least $500,000 per year to cover year-round salary plus research expenses. The research grants are planned for five years. To be eligible for the DOE award, a researcher must be an untenured, tenure-track assistant or associate professor at a U.S. academic institution or a full-time employee at a DOE national laboratory, who received a Ph.D. within the past 10 years. Research topics are required to fall within one of the Department's Office of Science's six major program offices: Advanced Scientific Computing Research, Basic Energy Sciences, Biological and Environmental Research, Fusion Energy Sciences, High Energy Physics, or Nuclear Physics.

The California-based recipients are: Rebecca J. Abergel, Daniel Filippetto, Trent R. Northen, and Alexander Bargioni-Weber from the Lawrence Berkeley National Laboratory; Todd Gamblin and Jennifer Pett-Ridge from the Lawrence Livermore National Laboratory; Mike S. Pritchard and Jenny Y. Yang from the University of California, Irvine; Shambhu Ghimire, from the SLAC National Accelerator Laboratory in Menlo Park; Peter W. Graham, from Stanford University; Ni Ni, from the University of California, Los Angeles; Shyue Ping Ong, from the University of California, San Diego; and Florin Rusu, from the University of California, Merced.

For more information about the work of these scientists and about the DOE's Early Career Research Program, please visit:

**BRIEFING: UCLA/PURDUE TO HOST CONGRESSIONAL BRIEFING ON MILITARY FAMILIES**

On Wednesday, May 21, 2014, the University of California Los Angeles and Purdue University will co-host a congressional staff briefing on “Military Families During War & Peace: a National Obligation.” The briefing will be held in 2212 Rayburn House Office Building, Washington, DC from 12:30 - 1:30 p.m. Lunch will be provided.

The presentation will be given by Patricia Lester, Director, Jane and Marc Nathanson Family Professor of Psychiatry, Medical Director, UCLA Family Stress, Trauma, and Resilience (STAR) Clinic; and Shelley Macdermid Wadsworth, Director, Center for Families, Director, Military Family Research Institute, Professor, Human Development and Family Studies, Purdue University.

After more than a decade of wartime service, military and veteran families and children face an array of challenges, including post traumatic stress, traumatic brain injuries, caregiving burdens, and family transitions. The panelists will discuss how our nation’s future will be shaped by how the country works to support military and veteran children and families. They will focus on strategies for moving forward together to strengthen families using emerging research within a public health framework. Successful examples of public-private partnerships from two public universities engaged for the last decade in collaborative initiatives with military, veteran and community systems of care will also be highlighted.

The public is invited. Please RSVP to amoore@support.ucla.edu by Monday, May 19.