APPROPRIATIONS: CONGRESS SENDS FY15 FUNDING BILL TO PRESIDENT

After another round of last minute snags in both chambers, the House and Senate passed H.R. 83, funding the federal government for Fiscal Year 2015. The House vote of 219-206 occurred on December 11, 2014, with just hours to go before the government would have shutdown. The House also passed a short-term continuing resolution to give the Senate time to act on the bill. The Senate was finally able to bring the bill to a vote on December 13th, clearing the measure 56-40.

The bill comports with the 2013 Budget Act (the “Ryan-Murray Agreement”), providing a total of $1.013 trillion for the operation of the federal government, and meeting the $521 billion defense and $492 billion non-defense budget caps.

The legislation contains full funding for fiscal year 2015 for 11 of the 12 regular annual Appropriations bills, with the exception of the Department of Homeland Security (DHS). The Homeland Security portion is funded under a temporary Continuing Resolution (CR). This CR maintains DHS funding at the current fiscal year 2014 level, and expires on February 27, 2015. The limited funding term for DHS was included in order to give the new Republican-controlled Senate and House an opportunity early next year to act against the President’s executive actions on immigration.

Highlights of the funding in the bill, include:

Department of Justice (DOJ) – The bill funds DOJ at $26.7 billion. Included in this funding is a total of $2.3 billion for various state and local grant programs, which is $65 million above the fiscal year 2014 enacted level. This includes: $185 million for the State Criminal Alien Assistance Program (FY14 funding was $180 million); $430 million for Violence Against Women programs; $376 million for Byrne Justice Assistance Grants;$68 million for missing and exploited children programs; and $41 million for a new program to address the sexual assault kit backlog at law enforcement agencies.

National Aeronautics and Space Administration (NASA) – NASA is funded at $18 billion in the bill, an increase of $364 million above the fiscal year 2014 enacted level. Within this total, $4.4 billion is
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MaryBeth Sullivan
Executive Director

provided for Exploration, including funding to keep the Orion Multi-Purpose Crew Vehicle and Space Launch System on schedule.

**National Science Foundation (NSF)** – The legislation funds NSF at $7.3 billion, an increase of $172 million above the fiscal year 2014 enacted level. This funding is targeted to programs that help strengthen U.S. innovation and economic competitiveness, including funding for advanced manufacturing science, and for research in cybersecurity and cyber-infrastructure.

**Transportation** – The bill includes $17.8 billion in discretionary appropriations for the Department of Transportation (DOT) – the same as the fiscal year 2014 enacted level and $4.8 billion below the President’s request. Within this total, the legislation provides $500 million for the TIGER program, which funds competitive grants for state and local road, transit, port, and railroad construction projects.

- **Highways** – The bill provides almost $41 billion in obligation limitation funding for the Federal Highway program – the same level authorized in the MAP-21 transportation authorization legislation, which expires on May 31, 2015. This is the same as the fiscal year 2014 level.
- **Rail** – The Federal Railroad Administration (FRA) is funded at $1.6 billion, an increase of $23 million above the fiscal year 2014 enacted level. No funding is provided for high-speed rail.
- **Transit** – The bill contains $2.3 billion for the Federal Transit Administration (FTA) – an increase of $141 million over the fiscal year 2014 enacted level. The legislation also allows $8.6 billion in state and local transit grant funding from the Mass Transit Account (of the Highway Trust Fund), consistent with MAP-21, to help local communities build, maintain, and ensure the safety of their mass transit systems. The legislation provides a total of $2.1 billion for Capital Investment Grants (“New Starts”), full funding for state and local “Small Starts,” and funding for all current “Full Funding Grant Agreement” projects within FTA. These programs provide competitive grants for major transit investments – including rapid rail, light rail, bus rapid transit, and commuter rail – that are planned and operated by local communities.

**Housing and Urban Development (HUD)** – The legislation includes a total of $35.6 billion for the Department of Housing and Urban Development, an increase of $2.8 billion above the fiscal year 2014 enacted level. However, when accounting for a decrease in offsets related to Federal Housing Administration collections, the HUD portion of the bill is actually $90 million below last year.

**Department of Education** – The bill funds the Department of Education at $70.5 billion. This is $133 million below the fiscal year 2014 enacted program level.

- **Title I Program** – These basic grants to local school districts are funded at $14.4 billion, an increase of $25 million above the 2014 level.
- **Pell Grants** – As per existing statute, the maximum Pell Grant award is increased to $5,830, funded by a combination of discretionary and mandatory funds.
**Administration Initiatives** - The bill provides no funding for the Race to the Top program, nor funding for the creation of preschool grants.

**Early Childhood Education and Care** – The bill provides $17.8 billion in discretionary resources for the Administration for Children and Families, which is a $108 million increase. This includes a $75 million increase for activities within the Child Care and Development Block Grant. The bill also continues increased funding provided in fiscal year 2014 for the expansion of the Early Head Start program, providing additional early education opportunities for toddlers from low-income families throughout the country.

**Energy and Water** – The legislation totals $34.2 billion – an increase of $142 million above the enacted 2014 level.

**Army Corps of Engineers** – The Army Corps of Engineers is funded at $5.5 billion, an increase of $15 million above the fiscal year 2014 enacted level. Within the total, the bill provides:
- $2.3 billion for navigation projects and studies;
- $1.1 billion from the Harbor Maintenance Trust Fund, for harbor maintenance, construction, and operations activities;
- $281 million – including the full amount of anticipated revenues into the Inland Waterways Trust Fund – for construction and rehabilitation of the nation’s inland waterways infrastructure; and
- $1.6 billion for public health and flood and storm damage reduction activities.

**Energy Programs** – The bill provides $10.2 billion for energy programs within the Department of Energy (DOE) – a $22 million increase above the fiscal year 2014 enacted level. Included in the funding is $1.9 billion for energy efficiency and renewable energy programs – placing priority on advanced manufacturing and weatherization assistance. This is $380 million – or 16% – below the President’s request.

**Science Research** – The bill includes $5.1 billion for science research, the same as the fiscal year 2014 enacted level. This funding supports basic energy research, development of high-performance computing systems, and research into the next generation of clean energy sources.

The bill funds the domestic fusion energy program at $318 million.

**Department of the Interior** – The legislation contains $1.1 billion – $27 million above the fiscal year 2014 enacted level – for the Department of the Interior. The Bureau of Reclamation’s budget remains the same at $1.1 billion. Other funding also remains the same, with CALFED funded at $37 million, the Title XVI program at $21.5 million, and WaterSMART at $19 million. An additional $50 million was added to Reclamation’s budget to help combat drought in Western States.

**Department of Agriculture** – The bill provides $20.6 billion in discretionary funding – $305 million below the fiscal year 2014 enacted level.

**Agricultural Research** – The bill provides $2.7 billion for agriculture research programs, including the Agricultural Research Service (ARS) and the National Institute of Food and Agriculture. Within this amount, the bill includes $325 million for the Agriculture and Food Research Initiative for competitive agricultural research grants, $45 million to begin to rehabilitate the high-priority ARS facilities, and funding to maintain important investments in the nation’s land-grant colleges and universities.
Animal and Plant Health – The legislation includes $871.3 million – a $49.5 million increase above the fiscal year 2014 enacted level – for the Animal and Plant Health Inspection Service (APHIS). This funding will support programs to control or eradicate plant and animal pests and diseases. This also includes increases to fight citrus greening and an epidemic porcine virus.


Food and Nutrition Programs
- WIC – This program provides supplemental nutritional foods needed by pregnant and nursing mothers, babies and young children. The bill provides full funding for WIC at $6.6 billion – $93 million below the fiscal year 2014 enacted level. The bill also includes $25 million for states to transfer from paper vouchers to a more efficient electronic benefit transfer (EBT) system.
- Child nutrition programs – The bill allows $21.3 billion in required mandatory funding.

Supplemental Nutrition Assistance Program (SNAP) – The bill allows $81.8 billion in required mandatory spending. This is $332 million below the fiscal year 2014 enacted level and $2.4 billion below the President’s request.

For more information, go to:

RESOURCES: HOUSE PASSES CALIFORNIA DROUGHT BILL

On December 9, 2014, the House passed H.R. 5781, the California Emergency Drought Relief Act by a vote of 230-182. Although supported by all California Republicans, most of the state’s Democrats opposed the bill.

The bill would allow for increasing pumping rates in the Bay-Delta in order to provide more water to the Central Valley. Rep. David Valadao (Hanford), the bill’s sponsor, argued that the bill is necessary to address the historic drought in California. Opponents, on the other hand, argued that it benefits Central Valley interests over those of the rest of California water users, and could harm the environment in the Delta.

Senator Dianne Feinstein, who had been in negotiations with the House members on a drought bill, said that there were parts of the bill that she could not support because of their environmental impact. Senator Barbara Boxer also opposes the bill, stating that it would result in bringing water wars back to California.

IMMIGRATION: SENATE JUDICIARY DISCUSSES EXECUTIVE ACTIONS; FOCUSES ON KEEPING FAMILIES TOGETHER

On Wednesday, December 10, 2014, the Senate Committee on the Judiciary held a hearing entitled "Keeping Families Together: The President's Executive Action on Immigration and the Need to Pass Comprehensive Reform." The focus of the hearing was the impact that the broken immigration system has on families and the impact of President Obama's actions announced on November 20th. The President's Executive Actions expand the Deferred Action for Childhood Arrivals (DACA) program and creates a new program for parents entitled Deferred Action for Parent Accountability (DAPA). Those who meet the designated criteria will be able to apply for protection from deportation and a three year work permit.

Witnesses included Elizabeth Schulder, Secretary-Treasurer of the AFL-CIO; Charles S. Murphy Professor of Law and Public Policy Studies and Co-Director, Program in Public Law, Duke Law School; Dr. John Eastman, Henry Salvatori Professor of Law & Community Service and Director
of the Center for Constitutional Jurisprudence at Chapman University School of Law; Jan Ting, Professor of Law, Temple University Beasley School of Law; and Astrid Silva, student at Nevada City College.

In opposition to the administration's rationale of prosecutorial discretion to support the executive actions, Professor Eastman stated, "The President has not just declined to prosecute (or deport) those who have violated our nation's immigration laws. He has given to millions of illegal aliens a 'lawful' permission to remain in the United States as well, and with that the ability to obtain work authorization." Professor Murphy agreed that prosecutorial authority does not permit the granting of work authorizations by the president, pointing to a statute that gives the authority to grant work permits to those with deferred action.

The relief from deportation is temporary. When asked whether undocumented individuals should risk applying for deferred action, Astrid Garcia, a DACA recipient, replied that there is already risk and fear without the executive actions. Additionally, she added that DACA has changed her life by allowing her to obtain a job, a driver's license, and a means to pursue her education.

For more information, go to:

IMMIGRATION: HOUSE JUDICIARY DISCUSSES IMPROVING ACCOUNTABILITY ON UNACCOMPANIED ALIEN MINORS

The Immigration and Border Security Subcommittee of the House Judiciary Committee held a hearing on December 10, 2014, titled "The Impact on Local Communities of the Release of Unaccompanied Minors and the Need for Consultation and Notification." The purpose of the hearing was to address the challenges faced by the communities that received unaccompanied immigrant children earlier this year.

Two witness panels presented testimony. The first panel included Representatives from communities impacted by the surge of unaccompanied minors. Congressman Lou Barletta ®- PA) discussed his bill, H.R. 5409, which would allow governors and local elected officials to control whether or not the federal government can place into their communities unaccompanied alien minors who entered the country unlawfully. Congressman Pete Olson (R-TX) discussed H.R. 5138, which requires HHS to hold a public hearing no sooner than 90 days after selecting a potential site to place unaccompanied minors. Congressman Adrian Smith (R-NE) discussed H.R. 5129, legislation he introduced that would require the Department of Health and Human Services (HHS) to give states advanced notice when unaccompanied minors are to be placed in the state. Lastly, Congressman Joe Crowley (D-NY) encouraged a different approach currently being implemented by New York City – an inter-agency task force that includes representatives from the various agencies with a role in serving unaccompanied immigrant children.

Witness Panel 2 included Mr. Leonard Scarcella, Mayor of Stafford, TX; Mr. Thomas M. Hodgson, Sherriff of Bristol County, MA; Ms. Jessica M. Vaughan of the Center for Immigration Studies; and Ms. Kristyn Peck of the U.S. Conference of Catholic Bishops.

Mr. Scarcella and Mr. Hodgson explained the difficulty that localities have allocating resources to address the needs of unaccompanied migrant children, such as healthcare and education, as required by law. According to Ms. Vaughan, education is the most significant cost, especially when it comes to serving a population with little previous education, little to no English proficiency, and in need of additional support due to emotional trauma. In response to the proposed pieces of legislation, Ms. Peck
stated, "We disagree with the premise of these bills, namely that these vulnerable unaccompanied children are a threat or burden to our communities." Instead, she proposed that Congress increase funding to, and expand post-release services for, children in order to address their needs.

For more information, go to:

HOUSING: SENATE SUBCOMMITTEE ASSESSES HOUSING MARKET

The Housing, Transportation, and Community Development Subcommittee of the Senate Banking, Housing and Urban Affairs Committee held a hearing titled "Inequality, Opportunity and the Housing Market" on December 9, 2014. Chairman Menendez emphasized the fact that for many families, the home represents the most significant, and in some cases, the only source of savings. However, since the housing market bust, moderate income families have suffered the greatest loss of wealth and continue to face barriers to access for affordable mortgage credit, often impacting communities of color the hardest.

The witnesses included Mr. Wayne Meyer, President, New Jersey Community Capital; Ms. Julia Gordon, Director of Housing Finance and Policy, Center for American Progress; Ms. Mabèl Guzmán, 2014 Chair of the Conventional Financing and Policy Committee, National Association of Realtors; and Ms. Deborah Goldberg, Special Project Director, National Fair Housing Alliance.

Ms. Gordon, citing national demographic trends, called the wealth disparity between communities of color and whites created by the housing crisis "a national emergency." To address this issue, Ms. Guzman pointed to the success of the Neighborhood Stabilization program as a national model, which afforded first time buyers with counseling and help with closing costs. "Ensuring that Americans have access to affordable mortgage credit will be key to our nation's economic recovery," she explained in her testimony in which she also identified high guarantee fees and loan level pricing adjustments charged by the GSEs (Government Sponsored Enterprises), as well as excessive FHA (Federal Housing Authority) premiums, as contributors to tight credit.

For more information, please visit:

SPACE: HOUSE SUBCOMMITTEE CELEBRATES SUCCESSFUL ORION TEST LAUNCH;
DISCUSS OBSTACLES TO FURTHER SPACE EXPLORATION

On December 10, 2014, the Subcommittee on Space of the House Committee on Science, Space, and Technology held a hearing entitled, "An Update on the Space Launch System and Orion: Monitoring the Development of the Nation's Deep Space Exploration Capabilities." The purpose of the hearing was to examine the challenges and opportunities facing the Space Launch System (SLS) and Orion program at the back of last week's successful test launch of the National Aeronautics and Space Administration's (NASA) Orion Spacecraft.

Witnesses included Mr. Bill Gerstenmaier, Associate Administrator for Human Exploration and Operations of NASA, and Ms. Christina Chaplain, Director, Acquisition and Sourcing Management of the Government Accountability Office.

The successful test launch of the Orion Spacecraft indicated that NASA is on the right track for human exploration of Mars and a return to the moon. However, funding shortfalls continue to create challenges. Due to funding pressures, NASA has pushed back their SLS launch date from 2017 to 2018. "Affordability for the long haul is a real issue … we need transparent and realistic estimates about the
resources that will be needed to achieve the nation's goals for human space exploration," testified Ms. Chaplain. Mr. Gerstenmaier emphasized the importance of an agreed funding level from the Administration and Congress so that NASA can plan accordingly. The Subcommittee members demonstrated bipartisan support for further space exploration, including the necessary appropriations to support it.

For more information, go to:

**RESOURCES: HOUSE SUBCOMMITTEE ADDRESSES DELAY IN RENEWABLE FUEL STANDARDS PROGRAM**

On Wednesday, December 10, 2014, the Subcommittee on Energy Policy, Health Care, and Entitlements of the House Committee on Oversight and Government Reform held a hearing examining the Environmental Protection Agency's (EPA) management of the Renewable Fuel Standards (RFS) program. The Renewable Fuel Standards are regulations to ensure that transportation fuel sold in the United States contains a minimum volume of renewable fuel. The Energy Independence and Security Act (EISA) stipulates volume targets for renewable fuel, reaching a total of 36 billion gallons by 2022. The EPA has not released renewable fuel standards for 2014, which were due in November, causing confusion in the marketplace.

Ms. Janet McCabe, Acting Assistant Administrator of the EPA's Office of Air and Radiation was the only witness.

"This is no way to run a business, and frankly, no way to run an agency… These delays in creating RFS standards are creating market instability across the board in the agriculture, renewable fuels and gasoline industries," stated Ranking Member Jackie Speier (Hillsborough). Ms. McCabe acknowledged the uncertainty in the marketplace caused by delay in issuing the 2014 standards. Additionally, she explained some of the challenges the agency faces, including the decrease in gasoline consumption: "We applaud the trend in improved vehicle fuel economy, which improves the nation's energy security and reduces GHG [greenhouse gas] emissions. However, lower gasoline consumption means there is less gasoline into which to blend EISA's specified volumes of renewable fuels." While acknowledging the challenges faced by the agency, Ms. McCabe noted that the EPA intends to complete the annual standards for 2014 and put the annual standard setting process back on schedule for 2015 and 2016.

For more information, please visit: