HOMELAND SECURITY: HOUSE PASSES “CLEAN” DHS FUNDING BILL

After weeks of stalemate, the House on March 3, 2015 passed the Senate version of the FY15 appropriations for the Department of Homeland Security (H.R. 240), which does not contain provisions to prohibit the implementation of the Administration’s executive actions on immigration. The “clean” bill passed by a vote of 257-167. The Senate passed the bill, 68-31, on February 27th, and the President signed the bill on March 5th.

The bill provides $39.7 billion in discretionary funding for DHS, an increase of $400 million compared to the fiscal year 2014 enacted level.

Some of the major funding in the bill includes:

**Customs and Border Protection (CBP)** – The bill contains $10.7 billion for CBP, an increase of $118.7 million above the fiscal year 2014 enacted level. This funding level supports 21,370 Border Patrol agents and 23,775 CBP officers – the largest operational force levels in history. Funds are also provided to test a biometric exit mobile application, to ensure around-the-clock surveillance of air, land and sea approaches to the border, and to maintain no less than 95,000 operational flight hours.

**Immigration and Customs Enforcement (ICE)** – The bill provides $5.96 billion for ICE, an increase of $689.4 million above the fiscal year 2014 enacted level. This includes $3.4 billion for ICE detention programs, to sustain 34,000 detention beds and to increase family detention by 3,732 beds. The bill also includes $1.9 billion for both domestic and international investigations, including increases to combat human trafficking, child exploitation, cyber-crime, and drug smuggling, and to expand visa vetting capabilities. Additionally, the bill fully funds E-Verify, a program that helps companies check if their employees may legally work in the United States.

**Federal Emergency Management Agency** – The bill allows $7 billion for disaster relief – fully funding FEMA’s stated requirement. The bill also provides a total of $2.5 billion for first responder grants, the same amount as in fiscal year 2014 and $304 million above the President’s request. This
includes: $1.5 billion for state and local grants; $680 million for Assistance to Firefighter Grants; and $350 million for Emergency Management Performance Grants.

For more information, go to: https://www.congress.gov/congressional-report/113th-congress/house-report/481/1

ENERGY: HOUSE ENERGY SUBCOMMITTEE CONSIDERS FUTURE OF THE GRID

On Wednesday, March 4, 2015, the House Energy and Commerce Subcommittee on Energy and Power held a hearing entitled, "The 21st Century Electricity Challenge: Ensuring a Secure, Reliable and Modern Electricity System." The Committee discussed the future of the grid and its ability to provide cost effective energy services while tackling climate change and cyber security challenges.

Witnesses included Tom Siebel, Chairman, CEOC3 Energy; Dean Kamen, Founder and President, DEKA Research & Development Corporation; Michael Atkinson, P.E., President, Alstom Grid, Inc.; Christopher Christiansen, Executive Vice President, Alevo Energy, Inc.; Joel Ivy, General Manager, Lakeland Electric; Paul Nahi, CEO, Enphase Energy; and Naimish Patel, CEO, Gridco Systems.

"Smart grid analytics enable us to provide real-time pricing signals to energy consumers, manage sophisticated energy efficiency and demand response programs, conserve energy use, reduce the fuel necessary to power the grid, reconfigure the power network around points of failure, recover instantly from power interruptions, accurately predict load and distributed generation capacity, rapidly recover from damage inflicted by weather events and system failures, prevent cyber attacks, and reduce adverse environmental impact," described Tom Siebel, who traveled from Silicon Valley to testify.

Enphase Energy, a company located in the San Francisco Bay Area, provides solar energy solutions for the residential and commercial markets, as well as energy services for utilities. In his testimony, Mr. Nahi stated that Enphase and others in the new energy economy will play a fundamental role in ensuring the energy security of the country. The benefits he listed include contributions to grid updates and security, clean energy production, competitive energy pricing, and job creation.


IMMIGRATION: HOUSE JUDICIARY MARKS UP IMMIGRATION ENFORCEMENT LEGISLATION

The House Judiciary Committee convened on Tuesday, March 3 and Wednesday, March 4, 2015 for a Full Committee Markup on legislation regarding employment, law enforcement, asylum, and child welfare legislation. "The American people are demanding immigration enforcement prior to any legal immigration reforms. So the first immigration-related bills the Committee must mark up this Congress are dedicated to interior immigration enforcement," declared Chairman Bob Goodlatte (VA). Among
the bills considered were H.R. 1147, the "Legal Workforce Act," and HR 1149, the "Protection of Children Act of 2015."

H.R. 1147 (Rep. Lamar Smith-TX) amends the Immigration and Nationality Act to make mandatory and permanent requirements relating to the use of an electronic employment eligibility verification system. This bill requires all U.S. employers to use E-Verify, a web-based system that checks the Social Security numbers of newly hired employees against Social Security Administration and Department of Homeland Security records to help ensure that they are genuinely eligible to work in the United States. Of particular concern to Rep. Zoe Lofgren (San Jose) was the negative impact a mandatory program could have on the agriculture industry.

For a fact sheet, please visit: http://judiciary.house.gov/_cache/files/7db670a5-9abe-41f9-9d06-d0f1e85518dd/legal-workforce-act.pdf

H.R. 1149 (Rep. John Carter-TX) amends the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 to provide for the expedited removal of unaccompanied alien children who are not victims of a severe form of trafficking in persons and who do not have a fear of returning to their country of nationality or last habitual residence.


H.R. 1147 was reported favorably to the House by a vote of 20-13 without amendment. H.R. 1149 was reported by a vote of 17-13, also without amendment.

SECURITY: HOUSE SUBCOMMITTEE WEIGHS OPTIONS TO IMPROVE CYBER SECURITY

The Subcommittee on Oversight and Investigations of the House Energy and Commerce Committee convened for a hearing on Tuesday, March 3, 2015 titled, "Understanding the Cyber Threat and Implications for the 21st Century Economy." In his opening statement, Chairman Tim Murphy (PA) posed the following questions to frame the hearing: "Why does the cyber threat exist? Is it something that can be solved? And what does this mean for the future?"

Witnesses included Herbert Lin, Senior Research Scholar, Center for International Security and Cooperation, and Senior Fellow, Hoover Institution, Stanford University; Richard Bejtlich, Chief Security Strategist, FireEye Inc.; and Gregory Shannon, Chief Scientist, CERT Program, Software Engineering Institute.

Dr. Lin testified to the trade-offs that policy makers must confront concerning cyber security. Measures taken towards security often diminish cyberspace's various opportunities for innovation and convenience as well as infringe upon personal liberty. He concluded, "tradeoffs are unavoidable, and thus consensus is hard to reach."

Mr. Shannon described the cyber-security dilemma in his written testimony: "Currently there is no manner in which an entity, public or private, can fully protect itself without simultaneously eroding its value. There are neither existing technologies nor any amount of money that would stop all serious cyber-attacks and allow for the efficient function of electronic commerce. We simply do not yet know how to do both of those together." Additionally, Mr. Shannon opined that businesses are slow to strengthen cyber security measures because it would make the user experience more inconvenient, thus competing with their bottom line.
The witnesses also discussed opportunities for legislative action. For example, Dr. Lin suggested mandated product regulations regarding cyber security before a new product reaches the market. He also suggested the creation of some sort of agency tasked to help those whose data has been compromised. Additionally, Mr. Bejtlich offered that data could be monitored similarly to credit cards, so that victims of security breaches have a source of recourse and possibly even a system that creates warnings whenever suspicious activity occurs. Lastly, he also explored the opportunity for insurance companies to protect against cyber security breaches so that small businesses are not financially ruined when one occurs.

For more information, please visit:

**IMMIGRATION: SEN. JUDICIARY QUESTIONS U.S. CITIZENSHIP AND IMMIGRATION SERVICES ACCOUNTABILITY**

On Tuesday, March 3, 2015, the Subcommittee on Immigration and the National Interest of the Senate Judiciary Committee held a hearing entitled, "Oversight of U.S. Citizenship and Immigration Services: Ensuring Agency Priorities Comply with the Law." The United States Citizenship and Immigration Services (USCIS) of the Department of Homeland Security (DHS) is responsible for processing applications for visas, naturalization, humanitarian protection, lawful permanent residents, and the 2012 Deferred Action for Childhood Arrivals (DACA) program. Under the President's Executive Actions on Immigration announced in November 2014, USCIS would be responsible for processing applications for an extension of DACA and the initial implementation of the Deferred Action for Parental Accountability (DAPA) program. Witnesses answered questions from the Committee concerning the Texas Court injunction of the President's Executive Actions, the accountability of USCIS to Congress, and the application procedures for legal and illegal immigrants.

Witnesses included Joseph Moore, Chief Financial Officer, U.S. Citizenship and Immigration Services; Donald Neufeld, Associate Director, Service Centers Operations Directorate, U.S. Citizenship and Immigration Services; and Dan Renaud, Associate Director, Field Operations Directorate, U.S. Citizenship and Immigration Services.

The witnesses submitted joint written testimony to the Committee in which they stated the agency was in full compliance with the court injunction, which prevents any actions taken towards the implementation of the President's 2014 Executive Actions on Immigration.

Furthermore, in response to concerns about accountability to Congress, especially concerning funding, they explained USCIS' fiscal structure, which does not rely upon Congressional funds; "Operations are primarily funded by immigration and naturalization benefit fees charged to applicants and petitioners, rather than by congressional appropriations. The Immigration Examinations Fee Account (IEFA) is the primary funding source for USCIS as most immigration benefit application and petition fees collected are deposited into the IEFA and used to fund the cost of the day to day operating expenses of the agency." Additional fees are used towards the H-1B Nonimmigrant Petitioner Fee Account and the Fraud Prevention and Detection Account.

Chairman Jeff Sessions (AL) expressed disapproval of the DACA application process, calling the requirements lax and unfair to those who enter the country through legal means. Specifically, he indicated that legal immigrants who seek a status adjustment must undergo an in-person interview – a requirement that DACA recipients do not undertake. However, Mr. Renaud respectfully disagreed with
the chairman, pointing to the fact that DACA recipients do not receive legal status, but rather protection from deportation.

Committee members continued to express disagreement, mostly along party lines, concerning the future of appropriations for the Department of Homeland Security, a debate centered on the use of prosecutorial discretion to grant deportation relief, referred to as amnesty by opponents, to undocumented individuals.

For more information, please visit: http://www.judiciary.senate.gov/meetings/oversight-of-us-citizenship-and-immigration-services-ensuring-agency-priorities-comply-with-the-law

RESEARCH AND SCIENCE: HOUSE COMMITTEE Markup of SCIENCE AND RESEARCH BILLS

On Wednesday, March 4, 2015, the House Science, Space, and Technology Committee conducted a Full Committee Markup to consider science and research legislation. Chairman Lamar Smith (TX) championed the bipartisan bills under consideration and encouraged support from his colleagues. Among the bills considered were H.R. 874, the "American Super Computing Leadership Act," and H.R. 1158, the "The Department of Energy Laboratory Modernization and Technology Transfer Act of 2015."

H.R. 874 (Rep. Randy Hultgren-IL) is a bill to amend the Department of Energy High-End Computing Revitalization Act of 2004 to improve the high-end computing research and development program of the Department of Energy with respect to: (1) exascale computing (computing system performance at or near 10 to the 18th power floating point operations per second), and (2) a high-end computing system with performance substantially exceeding that of systems commonly available for advanced scientific and engineering applications.

An amendment offered by Rep. Eric Swalwell (Hayward) applies an exception to agreements with a majority foreign-owned company, which was approved by voice vote.

H.R. 1158 (Rep. Randy Hultgren-IL) is a bill to improve management of the National Laboratories, enhance technology commercialization, and facilitate public-private partnerships.

Both measures were approved by voice vote. For more information, please visit: http://science.house.gov/markup/full-committee-markup/hr-1119-rde-act/hr-istc-act/hr-spc-act/hr-delmt-act-and-hr-874-ascl

CRIMINAL JUSTICE: SENATE HOMELAND SECURITY COMMITTEE Marks Up HUMAN TRAFFICKING LEGISLATION

On Wednesday, March 4, 2015, the Senate Homeland Security and Governmental Affairs Committee conducted its first markup of the 114th Congress. The Committee evaluated ten bills concerning homeland security, including H.R. 460, the "Human Trafficking Detection Act of 2015."

H.R. 460 (Rep. Mark Walker-NC) is a bill to direct the Department of Homeland Security to implement and annually reassess a program to: 1) train relevant Transportation Security Administration, U.S. Customs and Border Protection, and other DHS personnel on how to effectively deter, detect, and disrupt human trafficking and interdict suspected perpetrators during the course of their primary roles and responsibilities; and (2) ensure that such personnel regularly receive current information on matters related to the detection of human trafficking.

The Committee ordered H.R. 460 to be reported favorably without amendment by voice vote.
REPORT: LAO RELEASES REPORT ON STATE’S 2015-16 BUDGET: HIGHER EDUCATION ANALYSIS

On February 27, 2015, the Legislative Analyst's Office (LAO) released a report on the Governor's higher education budget, which includes a total of $21.6 billion in core funding for higher education, $1.2 billion (6 percent) more than the 2014-15 level. The California Community Colleges (CCC) receive a 9 percent augmentation in core funding, while the University of California (UC) and California State University (CSU) receive smaller increases (2 percent and 3 percent, respectively). The budget assumes no hike in tuition rates, funds higher Cal Grant costs, and continues the implementation of Middle Class Scholarships. The Governor's proposal extends UC and CSU tuition freezes for the next two years, which could increase price volatility in the future.

The LAO report analyzes five aspects of higher education: performance, enrollment, operations, facilities, and tuition and financial aid. CSU and CCC continue to struggle with graduation rates despite modest improvement – at CSU barely over half of students complete a degree within six years and CCC has demonstrated that only 35 percent of 2009-2010's entering class completed a degree, certificate, or transfer within four years. According to the report, state projections indicate a steady decline in the traditional college-age population over the next five years and also show college participation rates on the decline, perhaps indicative of the rebounding economy as it pertains to CCC admissions. Though tuition and fee levels have nearly doubled since 2007-2008, tuition and fee levels at California's public colleges and universities remain low compared to other states.

In order to measure performance outcomes, the report recommends that each segment conduct annual performance reports primarily guided by external benchmarks. The LAO recommends that the Legislature set resident enrollment targets for UC at the current-year level, with a possible cap on non-resident enrollment. Additionally, the report supports an increase in the cost-of-living-adjustment (COLA) instead of the Governor's proposed unallocated base increases for UC and CSU, estimating that a 2.2 percent cost-of-living adjustment to their core funding (state General Fund and tuition revenue combined) would equate to $126 million for UC and $94 million for CSU. The LAO also recommends the establishment of state priorities for funding higher education capital projects, including life safety, seismic corrections, and modernization projects.

For more information, please visit: http://lao.ca.gov/Publications/Detail/3188.