



THE CALIFORNIA INSTITUTE FOR FEDERAL POLICY RESEARCH
419 New Jersey Avenue, SE, Washington, D.C. 20003 202-546-3700
Fax: 202-546-2390 E-mail: ransdell@calinst.org Web: <http://www.calinst.org>

California Capitol Hill Bulletin

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To expand communications between Washington and California, the California Institute provides periodic faxed bulletins regarding current activity on Capitol Hill which directly impacts our state. Bulletins are published weekly during sessions of Congress, and occasionally during other periods. The e-mail edition is made possible in part by in kind donations from Sun Microsystems and Qualcomm, Inc.

FORMER REP. LEON PANETTA ADDRESSES GOLDEN STATE ROUNDTABLE LUNCHEON

Former Representative Leon Panetta addressed a lunch hosted by the Golden State Roundtable on March 18. Mr. Panetta now teaches at the California State University - Monterey campus and has established the Leon and Sylvia Panetta Institute at the campus to encourage young adults to become involved in public service. Mr. Panetta also pointed out three long-term problems that he thinks Californians must deal with soon. First, he stressed the need for better education to prepare youngsters for a productive future. Second, the high cost of housing in California is becoming an ever greater problem, and making housing more affordable has to be a high priority. Finally, related to the housing problem, is the need for improvement in California's transportation infrastructure.

Mr. Panetta, who represented the Monterey-Carmel-Central Coast area during his tenure in Congress, also stressed the importance of the California delegation's continuing to work together on a bipartisan basis in furtherance of California's needs.

The House Budget Committee unveiled a portrait of Mr. Panetta on Thursday evening, honoring his Chairmanship of the Budget Committee during his service in the House of Representatives.

For more information about the Panetta Institute at CSU Monterey Bay and its activities, see <http://www.monterey.edu/panetta/lectureseries/>.

REPS. THOMPSON AND NAPOLITANO ADDRESS INSTITUTE'S ADVISORY BOARD MEMBERS

Last week, Representatives Grace Napolitano (Norwalk) and Mike Thompson (St. Helena), the state's newest Democrat members of Congress, joined California Institute Advisory Board Members at a breakfast hosted by PG&E at the PG&E offices in Washington. Both members stressed the importance of working in a bipartisan manner in pursuit of California's interests in Washington, and each noted that their experiences in and contacts from the state legislature will help them in that endeavor. Among the myriad issues discussed during the breakfast were the need to focus on education, the undesirability of mandating Social Security coverage for all state and local employees, permanent extension of the

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Research and Development Tax Credit, and the importance of ensuring that the success of electric utility restructuring in California be allowed to continue without federal preemption.

SENATE DEFEATS ATTEMPT TO DIRECT STATE SPENDING OF TOBACCO SETTLEMENT FUNDS

On Thursday, March 18, by a vote of 71-29 the Senate tabled an amendment that would have directed the states to use 50 percent of the money they will receive from the tobacco settlement on anti-smoking and health programs. The attempt was made to add the amendment to the FY99 supplemental appropriations bill the Senate is considering.

The bill as written includes a provision denying the federal government any of the \$246 billion that the states are to receive. The Clinton Administration has pushed to give the government 57 percent of the money, because that is the average it pays in total Medicaid costs. The failed amendment would have allowed the states to retain all of the money, but required them to earmark 20 percent of it for programs to prevent teen smoking, and 30 percent for public health programs or adjustment assistance for economically injured tobacco farmers and communities.

The states, including California, are opposed to any attempt to share the settlement with the federal government. They argue that the tobacco lawsuits were broader than just the costs of providing Medicaid assistance for tobacco-related illnesses, and moreover, the states took all the risks in filing the lawsuits.

California is expected to receive about \$25 billion from the settlement over a 25 year period.

SENATE COMMITTEE MARKS UP WATER RESOURCES ACT

On March 17, the Senate Committee on Environment and Public Works approved S. 507, the Water Resources Development Act (WRDA) reauthorization, which contains funding for several California water projects, including flood control projects on the American River in the Sacramento region. The bill, reported out by voice vote, would authorize \$505.4 million to raise downstream American River levees, modify the Folsom Dam, and upgrade flood control facilities along the Sacramento river. The federal share would be about \$329.3 million; the remaining \$176.1 million would be covered by state sources.

Additionally, WRDA authorizes \$65.5 million for South Sacramento County flood-control, environmental restoration, and recreation projects. Federal funding would be \$41.2 million, with \$24.3 million in non-federal funds. The bill also provides \$126 million for the flood damage reduction project on the Upper Guadalupe River and \$26.6 million for the Yuba River Basin flood damage reduction project.

The Senate Committee reported out a similar bill last year, but no further action was taken. On the House side Reps. John Doolittle (Rocklin) and Bob Matsui (Sacramento) are working on a compromise solution to the problem of controlling flooding in the Sacramento area.

FEINSTEIN AND BOXER ASK PRESIDENT FOR EDUCATION FUND FAIRNESS

Senators from California, Arizona, Florida, Hawaii, Maine, New Jersey, New York, Virginia and Washington wrote to President Clinton this week asking that federal Title I funding be allocated according to the number of children in need. The letter parallels ongoing efforts to seek equitable Title I funding by California's bipartisan Congressional delegation.

The Title I program, the largest federal K-12 education program and the fourth largest formula grant of any kind, is intended to help schools educate poor and disadvantaged children. A longstanding problem, distributing Title I money using outdated counts of poor children, was ostensibly remedied in

1994 when Californian delegation members won passage of language creating an update of poor child counts every two years.

Unfortunately, Senators from states which have less acute needs than does California (and thus would lose funds) have successfully inserted language, called a "100% special hold harmless", into education appropriations bills preventing the use of these updated counts for distributing most Title I dollars. Senator Feinstein commented that "the state of California, with the largest and fastest-growing number of children of low-income families in the country, has lost tens of millions of dollars in funding for schools with economically disadvantaged students." She added that California received \$42 million fewer Title I dollars that in would have had the funding been made according to the number of poor, eligible children in the state.

The letter concludes "We hope that the proposal that you send Congress adheres to the principle that funds should follow the children as reflected by the most recent data possible and that you will support the continuation of the census update requirements. Not only are these important elements of Title I, but formulas for 11 other federal education programs are based in part on Title I. Thus, these programs recognize the principle that funding should be based on the number of children and the most current student population data available." For further information, see Senator Feinstein's website at: <http://www.senate.gov/~feinstein/releases/titleonefunds.html>.

REP. MARTINEZ SEEKING SIGNATURES ON NATIONAL GUARD FUNDING LETTER

Rep. Matthew Martinez (Monterey Park) is seeking signatures from the California Congressional Delegation on a letter requesting \$12,384,000 in Federal matching funds to be included in the FY00 Army National Guard Military Construction Program for new construction of the Los Angeles Readiness Center in Azusa, California. The Los Angeles Readiness Center is the California National Guard's top priority based on its Long-Range Construction Program. Identical letters will be sent to Chairman David Hobson and Ranking Member John Olver of the Appropriations Subcommittee on Military Construction; Chairman Bill Young and Ranking Member David Obey of the Appropriations Committee; Chairman Joel Hefley and Ranking Member Gene Taylor of the Armed Services Subcommittee on Military Installations; and Chairman Floyd Spence and Ranking Member Ike Skelton of the Armed Services Committee.

The letter states that over the last five years, California's National Guard has not received adequate federal funding to meet its needs. The proposed Los Angeles Readiness Center is a multiple-unit armory for 600 National Guard soldiers and more than 300 wheeled vehicles on a 15-acre site in Azusa. The State of California has provided funding to initiate the design of this critically important facility, which is currently 35 percent complete, has appropriated \$5,900,000 to acquire the 15-acre site, and \$5,692,000 for the construction of the Los Angeles Readiness Center. If federal funding is not provided for this facility, the ability of the state's National Guard to complete its mission will be undermined, according to the letter.

Members wishing to sign the letter should contact Jamie Jones in Rep. Martinez' office at 5-5464.

FUSION BACKERS VISIT CALIFORNIA OFFICES, SEEK DEAR COLLEAGUE SIGNERS

Members of California's fusion energy community visited with California Congressional delegation members and staff on Thursday urging support for fusion energy funding in the FY2000 budget and seeking signatures for a Dear Colleague letter being circulated by Reps. Duke Cunningham (San Diego) and Ellen Tauscher (Pleasanton). The letter asks that the fusion energy sciences program be funded at \$250 million or more in FY 2000. For more information, see last week's [*Bulletin, Vol. 6, No. 8, \(3/11/99\)*](#).

At a breakfast meeting on Capitol Hill, fusion experts from across the country heard from staff to various Members of Congress, including George Brown (Colton), Cunningham, Bob Filner (San Diego), and Ron Packard (Oceanside). Later, participants met with staff to both California Senators and various California Congressional delegation or their staff.

California wins substantial share of federal fusion expenditures. Combined military and civilian energy fusion funding of \$270 million per year supports roughly 1,400 direct jobs in the state at companies such as General Atomics and SAIC, universities (including U.C. campuses at Berkeley, Davis, Irvine, Los Angeles, San Diego and Santa Barbara), and national laboratories at Livermore, Berkeley, and Sandia-Livermore.

Offices wishing to sign the letter should contact Frank Purcell with Rep. Cunningham at 5-5452 or Sherri Preische with Rep. Holt at 5-5801.

IMMIGRATION SUBCOMMITTEE LOOKS AT ILLEGAL IMMIGRATION ISSUES

The House Judiciary's Subcommittee on Immigration and Claims held a hearing on March 18 on the issues of illegal alien smuggling, visa overstays, and non-citizens in federal prisons.

The Subcommittee heard from a number of witnesses, including several from the executive branch. William Brownfield, Principal Deputy Assistant Secretary of State for International Narcotics and Law Enforcement, and Louis F. Nardi, Director of the Justice Department's Smuggling/Criminal Organizations Branch, testified on alien smuggling operations. They agreed that smuggling operations are increasing and becoming more sophisticated. Estimates are that nearly four million persons are smuggled across U.S. borders annually. In response, the government has stepped up its enforcement efforts by expanding its use of asset forfeiture laws, wire intercepts, undercover sting operations, and the Racketeer Influenced and Corrupt Organizations (RICO) statute, which now designates alien-smuggling and immigration-related visa fraud as RICO predicate offenses.

Deputy Assistant Secretary of State for Consular Affairs Donna Hamilton testified on visa overstays. Secretary Hamilton pointed out that it is not feasible to accurately count the number of visa overstays in the U.S., because visa holders can also change their immigration status in some way and lawfully remain in the country. The State Department, however, has heard of estimates as high as 25 percent to 41 percent of visa holders overstaying. The Department is examining ways to increase its information on visa holders who overstay so that it can refine its knowledge on its criteria for granting or denying a visa application.

Amy F. Dale, Administrator, Detention Services, Federal Bureau of Prisons, testified that the federal government held about 33,250 non-U.S. citizens in Bureau custody as of the end of fiscal year 1998. This is 27.6 percent of the Bureau's total population, and represents a 116 percent increase in the non-citizen prison population since 1992.

Testimony of all the witnesses can be obtained through the Committee's website at: <http://www.house.gov/judiciary>.

URBAN INSTITUTE STUDY FINDS IMMIGRANT USE OF PUBLIC BENEFITS FELL

The Urban Institute recently released a report authored by Michael Fix and Jeffrey Passel on the use of public benefits by immigrants subsequent to passage of the welfare reform law. The authors conclude that "noncitizens accounted for a disproportionately large share of the overall decline in welfare caseloads that occurred between 1994 and 1997," and that the welfare reform law has had "chilling effects" on whether legal immigrants apply for benefits for which they are eligible.

According to the report, cash welfare benefits for eligible legal immigrants fell 35 percent, while those for U.S. citizen households fell only 15 percent. The percentage drops in food stamps and

Medicaid also showed the same disparity between legal immigrants and citizens. The authors believe that part of the reason for the sharp drop may be confusion over who remains eligible for benefits, and fear of deportation or other penalties that may occur if the immigrant is considered a public charge. These issues may have been factors in an earlier finding that legal immigrant benefit use in Los Angeles dropped by 71 percent after passage of the act, according to Mr. Fix.

The report also states that, "Persistently high uninsurance rates, coupled with the decline in program participation documented [in the report], have broad implications for targeting outreach efforts to expand enrollment in programs like California's Healthy Families initiative and for other state efforts to expand enrollment in Medicaid and the Child Health Insurance Program."

A copy of the report can be obtained from the Urban Institute at 202-833-7200 or from their website at <http://www.urban.org/immig/trends.html>.