



THE CALIFORNIA INSTITUTE FOR FEDERAL POLICY RESEARCH
 1608 Rhode Island Avenue, NW, Suite 213, Washington, D.C. 20036
 202-546-3700 fax:202-223-2330 e-mail: randsell@calinst.org web: <http://www.calinst.org>

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To expand communications between Washington and California, the California Institute provides periodic news bulletins regarding current activity on Capitol Hill that directly impacts the state. Bulletins are published weekly during sessions of Congress, and occasionally during other periods.

GOVERNOR’S SPEECH, BUDGET FRAME INFRASTRUCTURE SPENDING AS VITAL TO CALIFORNIA’S FUTURE

On January 6, 2006, Governor Arnold Schwarzenegger delivered his third State of the State address, in which he made long-range infrastructure improvements and continued servicing of the state’s budget deficit his top priorities. The week after his address, vowing not to raise taxes, Gov. Schwarzenegger unveiled his fiscal year 2006-2007 Budget blueprint, which he says will result in a lowering of the state’s deficit by \$11.5 billion since he took office.

Outlining a vision to meet California’s growing infrastructure needs, the Governor introduced what he termed his Strategic Growth Plan (SGP). This plan spans 20 years and involves the use of financing bonds and the leveraging of state and federal resources to support transportation, education, water, public safety, and other public infrastructure needs. The plan will cost \$222.6 billion over the first ten years, and will be financed without tax increases. Most of the plan (\$100.8 billion) will be financed from existing resources. New General Obligation (GO) bonds, pending future special-election voter approval, are projected to support part of the remaining cost (\$68 billion), while new federal and state funding sources will generate the rest (\$53 billion) of the SGP revenue.

A total of \$107 billion in SGP resources will be dedicated to transportation and air quality improvement, according to the SGP Briefing Document, making it the single largest spending priority. These additional dollars would be spent on building new “throughput” capacity, improving existing infrastructure capacity, and accommodating public transit ridership expansion. The proposed infrastructure investment is projected to halt the upward trend of congestion in California and is actually estimated to reverse the number of daily hours of travel delay by 18.7 percent below current levels.

The Governor also called for increased investment in water infrastructure and flood control. In addition to strengthening the state’s levees and doubling flood protection in the Sacramento Valley, the Governor called for increasing water storage capacity and increasing the state’s water delivery network. The water bond total is expected to be about \$9 billion spread over at least two bonds, with the first bond being about \$3 billion.

The first step toward achieving SGP’s goals were contained in the Governor’s January 11, 2006 budget release press conference, when he revealed his FY 2006-2007 California budget priorities. The \$125.6 billion budget plan proposed to continue the practice of using one time expenditures to fulfill certain state obligations while further servicing California’s structural deficit. Under the budget plan, \$920

CONTENTS:

Governor’s Speech, Budget Frame Infrastructure Spending as Vital to California’s Future	1
C-17 Aircraft Extension Gains Broad Bipartisan Support	2
DHS Reshuffles Criteria for Awarding Urban Area Homeland Security Grants; Eligibility Rules Stiffened For San Diego and Sacramento	3
Governor Seeks Reconsideration of Urban Area Homeland Funding Changes	4
FERC Report on California Electricity Crisis Estimates Total Settlements To Date Are \$6.3 Billion	4
Governor Declares State of Emergency in Rain-Soaked Counties	5
State’s Slowing Population Growth Likely to Flatten Federal Funding Growth As Well; Census Finds State Grew Less Rapidly Than Nation from ‘04 to ‘05	5
CBP Report Examines California’s Quality of Life	6
Preparing for Future Space Tourism	6
Report Finds California’s Minimum Wage Not Related to Job Losses	6
CFTL Report Examines California’s Educational System	7
Latest PPIC Survey Examines Sexual Issues	7
California Ranked #1 Among Nation’s Emergency Medical Care Systems	8

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1608 Rhode Island Ave, NW, Suite 213
Washington, DC 20036 www.calinst.org

million would be spent on prepaying amounts borrowed from the Proposition 42 transportation spending account, as well as \$500 million from Prop 57. The K-14 budget would grow by 8.7 percent to \$54.3 billion, and K-12 spending would reflect a \$8,052 per pupil spending ratio in 2006-07, according to budget calculations. A \$428 million expenditure on Prop 49 means that the After School Education and Safety Act will be funded in its entirety for the first time, according to Gov. Schwarzenegger. Furthermore, the budget eliminates any upcoming new fees scheduled for University of California and California State University students. Gov. Schwarzenegger repeatedly highlighted the need for responsible spending as a principle for his success in reducing the state's deficit figures from \$16.8 billion when he took office in 2003 to \$4.7 billion, and reminded his audience that he has made strides notwithstanding that 70 percent of the budget is predetermined. Erasing the debt will pave the way to addressing the Governor's long term critical infrastructure priorities, according to the Governor's office.

When questioned about some of his proposed social service cuts including \$40 million from the CalWORKS Temporary Assistance for Needy Families (TANF) account, and \$114.6 million from the CalWORKS child care budget, the Governor responded by stating that he had to make some tough choices and that he weighed those choices very carefully.

For more information regarding the Governor's 2006-07 budget, visit the California State Department of Finance website at: <http://www.ebudget.ca.gov/BudgetSummary/BSS/BSS.html>, to view a copy of the Strategic Growth Plan Briefing Document, visit the Gov.'s website at: http://www.governor.ca.gov/govsite/pdf/press_release_2006/SGP_Overview.pdf.

C-17 AIRCRAFT EXTENSION GAINS BROAD BIPARTISAN SUPPORT

A bipartisan group of 33 California Congressional members joined more than 120 lawmakers from other states to endorse a letter to President Bush requesting continuation of, and full funding for, the endangered C-17 air transport carrier. Production of the Boeing C-17 transport was expected to be stopped following the completion of the current order for 180 aircraft. If the Department of Defense fails to contract more aircraft, it could threaten Long Beach's last remaining Boeing manufacturing plant, which supports thousands of jobs. The overall economic impact of the aircraft's discontinuation is significant enough to have an estimated multibillion dollar nationwide effect, most of which would affect California.

Last year, Air Force officials recommended halting production of the C-17 Globemaster III, a military transport aircraft produced in over 42 states at a rate of 15 per year, and at a per unit cost of \$160 million. U.S. Transportation Command questioned the need for building more C-17 planes, proposing the manufacturing of a new type of air transport. Pentagon analysts later suggested that unless Congress acted to provide an alternative funding source for the C-17 program, construction of the transport plane would be shut down in 2008.

The letter of support, drafted by Reps. Juanita Millender-McDonald (Carson), and Jim Saxton (NJ) argues that the C-17 remains a "vital national security asset," noting the C-17's unique military and humanitarian service capabilities. Signatories request that the aircraft's construction be continued to improve the military's flexibility and performance.

The only long-range transport in production, the C-17 was used to airlift machinery and personnel in conflict stricken areas such as Iraq and Afghanistan and was also deployed to transport relief aid and supplies to the Gulf states in the wake of last year's hurricane disasters.

C-17 supporters were given a boost last year when a military science panel recommended to the Department of Defense that the C-17's continuation would be "prudent." The letter cites the Defense Science Board's (DSB) assessment as well as a Mobility Requirement Study provision, which recommended that the military should increase the number of C-17s in service to 222. Senate passed Defense legislation would contract additional C-17s to reflect the study's recommendation.

Congressional staff sources suggest that the program's elimination will adversely impact 722 businesses that supply parts or contribute to the assembly of the aircraft in 42 states, with a total annual economic impact of \$8.4 billion. California's share of this economic shortfall is by far the most significant. The state houses 394 members of the national supplier base, and the California economy is projected to shoulder \$3.7 billion or 45 percent of total national economic losses from the C-17's elimination.

According to staff, more California members have signed on to the letter since it was first circulated in December, although a final count was unavailable as of this writing.

For additional information regarding the C-17 airlifter, visit the Boeing web page regarding it at: <http://www.boeing.com/defense-space/military/c17/index.htm> .

DHS RESHUFFLES CRITERIA FOR AWARDING URBAN AREA HOMELAND SECURITY GRANTS; ELIGIBILITY RULES STIFFENED FOR SAN DIEGO AND SACRAMENTO

On January 3, 2006, the Department of Homeland Security (DHS) announced that it plans to alter the criteria used to distribute \$765 million in direct funding to high threat urban areas under the FY 2006 Urban Areas Security Initiative (UASI). Funding is intended to help urban centers pay equipment, training, planning, and exercises to prepare for and prevent a terrorist attack. Agency officials indicated that the criteria changes were largely intended to improve efficiency and streamline funding distribution.

The DHS announcement did not reveal how much money cities or regions would receive, but it was accompanied by a list of eligible areas, which included some surprises. For example, eleven previously eligible urban areas -- including two in California - were specifically designated as eligible in 2006 only for "sustainment" funding to maintain projects that are already underway, but not for new projects. The San Diego and Sacramento urban areas are on that list. According to an attachment footnote, such areas would be "eligible to apply for sustainment funding in fiscal year 2006 to ensure that strategic investments made thus far can be completed and to identify projects that, if funded, would significantly reduce risk."

Three California areas remained among the 35 areas on the continuingly actively eligible list: the Bay area, Los Angeles/Long Beach, and (separately) the Anaheim/Santa Ana area.

The documents also stated that, "any Urban Area not identified as eligible through the risk analysis process for two consecutive years will not be eligible for continued funding under the UASI program." (However, DHS overruled its own rule and specifically deemed Memphis, TN to be eligible, despite having received funds for only one year.) One California city, Fresno, received UASI funding for a single year.

DHS documents were unclear whether San Diego and Sacramento were on the verge of being cut off, or if they were instead essentially placed on "probation" by the announcement, and given an opportunity to make their case to the federal government.

DHS Secretary Michael Chertoff did not specifically disclose the internal formula that would be used to distribute 2006 UASI funds, but he indicated that it considers "three primary variables: consequence, vulnerability, and threat." The announcement indicated that elements would include such factors as "the presence of international borders, population and population density, the location of critical infrastructure, formal mutual aid cooperation, law enforcement investigations and enforcement activity." In order to receive funds, communities will be required to form regional bodies and submit unified spending plans detailing an "investment justification" within 60 days.

"UASI funds are not entitlements," Secretary Chertoff said. "Once you get a UASI designation, it doesn't mean that a city has it for the rest of the decade, or the next 20 years. Each year we have to look afresh at what the risks are. We have to consider changes in consequence, changes in vulnerability and changes in threat. We have to consider the fact that we anticipate that as cities get these funds and they build capabilities, they will actually reduce their vulnerabilities, and over time, that should actually remove some of those cities from the UASI list, if this is working properly."

Governor Arnold Schwarzenegger expressed "significant concerns" about the change in eligibility rules, particularly focusing on the San Diego and Sacramento downgrading. (For more information, see below article.)

Senator Dianne Feinstein commented that a regional approach that focuses on the major urban areas makes sense, and applauded any increase in focus on the use of risk or threat information to allocate funding more fairly. However, she stated, "While this appears to move our nation toward more risk-based funding, it does not address the statutory small-state minimum, where all states receive .75 percent of homeland security funding regardless of the actual risk. I believe this minimum is the wrong policy and should be changed."

GOVERNOR SEEKS RECONSIDERATION OF URBAN AREA HOMELAND FUNDING CHANGES

On Thursday, January 12, 2005, Governor Arnold Schwarzenegger wrote to DHS Secretary Michael Chertoff to express "significant concerns" about proposed changes to the eligibility of urban areas for funding under the Urban Area Security Initiative (UASI) – see above article.

The Governor's letter states, "While I have long advocated for allocating homeland security funding based on risk, I am very concerned that state and local governments were not consulted as to the specific UASI formula changes or asked to verify the data used this year. I do not believe that the results of the current formula accurately or fairly reflect risk, as populous, high-risk cities such as Sacramento and San Diego are now only eligible to receive sustaining funds, and are at risk of losing UASI funding entirely in Fiscal Year 2007."

In the letter, the Governor noted that "The Sacramento region is not only home to the governing capitol of the world's sixth largest economy, but its multiple rivers, levees and dams are part of a system that serves the water needs of more than twenty million Californians. For example, Folsom Dam is critical to flood control, water and power supply and a terrorist strike on the dam would have immediate and serious effects on power and water supplies and could release up to one million acre feet of water stored in Folsom Lake resulting in debilitating floods. In addition to the physical infrastructure in the Sacramento region, well-reported cases of terrorist connections to a mosque in Lodi and the radicalization of inmates at Folsom prison illustrate some of the threats to the Sacramento region and support the need for continued UASI funding."

Schwarzenegger also pointed out a number of reasons why the area surrounding San Diego (the nation's seventh largest city) should be eligible for funding. He noted that, "The San Diego region is home to the nuclear power plant at San Onofre, the Port of San Diego and the entire infrastructure that comes with being the nation's seventh largest city. While it has been stated that the region's military presence is a deterrent and not itself vulnerable to a terrorist attack, terrorists have already succeeded in attacking one of our nation's most important military assets, the Pentagon, and have consistently, and successfully, targeted American military installations overseas. Additionally, the port of entry at San Ysidro on the Mexican border is the busiest in the world, with approximately 50 million people crossing into the United States through it every year. While federal agencies at the border work very hard to prevent the smuggling of terrorists across the border, it would be imprudent to end homeland security efforts there."

He urged DHS to revisit the calculation of risk for the two metro areas and asked that DHS and California officials meet to discuss the data and methodology used. The Governor concluded, however, "While I have concerns about the FY 2006 UASI grant program, I commend your determination that risk must be the primary factor in allocating federal homeland security funds. You have my continuing support in convincing Congress that other federal homeland security grant programs, such as the State Homeland Security Grant Program (SHSGP), must be modified so that risk and population factors are more heavily emphasized."

FERC REPORT ON CALIFORNIA ELECTRICITY CRISIS ESTIMATES TOTAL SETTLEMENTS TO DATE ARE \$6.3 BILLION

On December 27, 2005, the Federal Energy Regulatory Commission (FERC) submitted a report to Congress claiming that it has facilitated more than \$6.3 billion in settlements and brought to a close all but one of 60 investigations of market manipulation in cases related to the energy crisis that affected California and other Western states in 2000 and 2001.

The agency, itself widely criticized for responding to the crisis in a slow and half-hearted manner, used the report to lament its own lack of authority to intervene in the situation. The report argued that "the Commission's response to the energy crisis in California and the West would have been different if the agency had the civil penalty and market manipulation authority provided by Congress in the Energy Policy Act of 2005." Current FERC Chairman Joseph T. Kelliher argued that "The Commission played a weak hand rather well, in my opinion."

"No one can dispute that the California Refund Proceeding has gone on far too long," the report states. "The lack of closure contributes to uncertainty in California – some refunds are still owed and owing; investment, and recovery

of that investment, is unclear; and the state of the transmission grid and electricity markets remains vulnerable.” It argues, “The Commission and its staff have worked diligently with the California parties (and others) to address the many issues in the California Refund Proceeding, to reach settlements, and to address flawed rules that were in place in the California ISO electric energy markets during the California energy crisis; and we remain committed to doing so to ensure that there is not a repeat of the California crisis.”

The report also noted that the final refunds will be affected by the \$6.3 billion in settlements already reached with California parties, which among other things settled the refund obligations of several large electricity generators. It also points out that the Commission’s final refunds for California were reduced by a recent appeals court decision barring the FERC from ordering refunds by government-owned utilities, which accounted for about 30 percent of sales in California in 2000 and 2001.

Critics were quick to point out that the state has long maintained that it was overcharged \$9 billion by out-of-state electricity wholesalers during the energy crisis, and that this report shows the state will not be made whole.

FERC’s 26-page report, “*The Commission’s Response to the California Electricity Crisis and Timeline for Distribution of Refunds*,” was prepared and submitted to Congress as required under the Energy Policy Act of 2005. It is available on the FERC website, at <http://www.ferc.gov/legal/staff-reports/comm-response.pdf>.

GOVERNOR DECLARES STATE OF EMERGENCY IN RAIN-SOAKED COUNTIES

On January 3, Governor Schwarzenegger declared a state of emergency in 19 California counties pounded by severe rainstorms beginning on December 19. The counties are: Butte, El Dorado, Lake, Lassen, Marin, Nevada, Placer, Plumas, San Joaquin, San Mateo, Sierra, Siskiyou, Solano, Sutter, Yolo, and Yuba.

The series of storms brought unusually heavy rains that caused flooding, mudslides, debris accumulation, washed out and damaged roads, and the loss of human life. The state of emergency declaration was requested by the counties, according to the Governor’s proclamation, because the magnitude of the disaster exceeds the capabilities of the services, personnel, equipment and facilities of these counties.

The proclamation directs all agencies of the state government to utilize and employ state personnel, equipment and facilities for the performance of all necessary activities to alleviate the emergency.

STATE’S SLOWING POPULATION GROWTH LIKELY TO FLATTEN FEDERAL FUNDING GROWTH AS WELL; CENSUS FINDS STATE GREW LESS RAPIDLY THAN NATION FROM ‘04 TO ‘05

As reported in a recent *Bulletin*, the Census Bureau recently released its annual estimates of state population. Although California’s 2005 population rose to 36,132,147 – and represented 12.2 percent of the nation’s 296.4 million residents – the data indicate that, for the first time in a decade, California’s population grew slower than the U.S. population. The state added 290,109 new residents from mid-2004 to mid-2005, a slightly slower growth rate than the nation’s overall addition of 2.7 million new residents. California’s share of the U.S. population fell to 12.19 percent in 2005 from 12.22 percent in 2004. The data are available at <http://www.census.gov/popest/>.

According to analysts, the moderating growth will impact 2006 tax-exempt private-activity bonds and may yield a slight reduction in FY 2007 Social Services Block Grant (SSBG) state allocations and other formula programs that use population data to apportion funds. States with particularly rapid annual growth rates -- such as Nevada (+3.5%), Arizona (+3.5%), Florida (+2.3%), and Idaho (+2.4%) -- could be expected to see significantly greater growth in formula funds, especially if considered on a percentage basis.

The population surge in California may have an flattening effect on the state’s share of SSBG funds (as well as other population driven federal programs). This capped entitlement program, which is established in Title XX of the Social Security Act, has existed since 1972 to provide the states with expenditures for a wide variety of social services. (In the past several fiscal years, total funding to all states has fallen below historical levels; expenditures dipped from \$2.8 billion in 1995 to \$1.7 billion in 2006.) As with all states, California’s share of SSBG generally reflects its share of the nation’s population, and the state is projected to receive some \$206,276,000 (12.13%) from the program in 2006 and roughly 206,072,000 in 2007 (12.12%), according to estimates developed by Federal Funds Information for States. The analysts note, however, that the Department of Health and Human Services uses population data that is slightly outdated to determine SSBG allocations. For example, FY 2006 allocations were based on FY 2003 population data.

CBP REPORT EXAMINES CALIFORNIA'S QUALITY OF LIFE

A recent report by the Sacramento-based California Budget Project (CBP) called to attention the amount Californian families and single adults would need to earn in order to live at satisfactory levels, without contribution of public assistance programs. This report divided California into 10 regions consisting of counties with similar costs of living and analyzed their estimated standard cost of housing and utilities, child care, transportation, food, health coverage, payroll and income taxes, and miscellaneous expenses. The budgets of four family types were examined: a working parent and family with two children, a two-parent family with one working parent and with two children, a single-parent family with two children, and a single adult.

According to the article, California families face extreme difficulties meeting basic living expenses and many assumptions have to be made when evaluating the exact dollar amount needed to live in California. It notes that California is the second lowest among 50 states for homeownership, explaining why most families rent rather than own their homes. Further, privately purchased health care coverage is so costly that many California families remain uninsured. Also, income and payroll taxes account for a substantial amount of a family's budget, thus forcing families to save in other areas. The authors assert that basic family budgets across the state require incomes far higher than those provided by minimum wage, and in some parts of the state, more than the median income.

The authors conclude that the disparity between the wages available from work and the cost of raising a family in California establishes the need for new public policies. They conclude that policies that involve bolstering incomes and providing help with access to necessary services may eventually move families toward self-sufficiency.

For more information or to view a copy visit the CBP website at: <http://www.cbp.org>.

PREPARING FOR FUTURE SPACE TOURISM

Although seemingly farfetched, the eventual start of tourism into space was portrayed as more immediate with the 123-page release of proposed rules governing the future of space tourism on December 30, 2005.

The rules touch on everything from medical standards for passengers to preflight training. In addition, the qualifications and training requirements for the crew, mandatory training, and informed consent of passengers are also spelled out in the rules. However, information regarding the specifications for the space vehicles themselves was not included in the rules.

The release of these proposed rules is the result of legislation signed by the President a year ago intended to help the space industry flourish. As a component of a "phased approach," the proposed rules are the first set of regulations put out by the Federal Aviation Administration (FAA) – the regulating body for future human space tourism – and are expected to take effect next June.

Laws governing private sector space endeavors, like satellite launches, have been in existence for some time. There has been no previous record of regulations, however, of commercial human spaceflight.

In 2001, a California businessman, Dennis Tito, became the world's first space tourist when he rode a Russian Soyuz capsule to the international space station. It cost him \$20 million for the ride.

The proposed rules are available for download from the FAA at <http://www.faa.gov/>.

REPORT FINDS CALIFORNIA'S MINIMUM WAGE NOT RELATED TO JOB LOSSES

According to a recent report by the California Budget Project (CBP), there have been three main intended and unintended results due to California's minimum wage increases of 1996. The author asserts first and foremost that the main beneficiaries of the moderate increase in the minimum wage earnings are California's 1.4 million low-wage workers who are predominately adult, full-time Latino workers, not other members of the workforce.

Contrary to what critics argue, minimum wage increases do not appear to be associated with job loss in industries that employ large shares of low-wage workers, like the hospitality, wholesale, and retail trades. According to the report, California employment data supports the author's assertion that between 1997 and 2004 the average annual growth in low-wage employment outpaced the average annual increase in total employment.

Perhaps most profoundly, the report shows that even with the minimum wage increase in California, it seems to be inadequate to support a single adult, much less a family. In fact the purchasing power of the minimum wage is 33.1 percent lower today than it was in 1968, dropping at \$0.88 since 2002, and without state action, its value will continue to deteriorate. With this information in mind, the California Budget Project estimates that a full-time, full-year single adult needs to earn \$12.44 per hour to cover the cost of basic necessities and that a single California parent with two children needs to earn \$25.96 per hour to make ends meet.

This report asserts that while the increase in minimum wage has been an effective tool for raising the earnings of the state's low-wage workers, it shows the disparity between California's minimum wage of \$6.75 and what is needed to support a family.

For more information on this report or to view a copy visit the CBP website at: <http://www.cbp.org>

CFTL REPORT EXAMINES CALIFORNIA'S EDUCATIONAL SYSTEM

The Center for the Future of Teaching and Learning's (CFTL) *Teaching and California's Future* report provides an overview of California's educational system and identifies teacher workforce as a primary concern. The authors assert that for over a decade, Californians have had to face the stark contradiction of being both the nation's technological and economic powerhouse, while falling behind in educational achievement.

According to the report, in 2002 the state's high school graduation rates stood at 71 percent, with the graduation rates for minority students lagging behind: 57 percent for African-Americans and 60 percent for Latinos. The authors note that policymakers have most notably responded to California's educational challenges through the establishment of new accountability systems better known as the California High School Exit Exam (CAHSEE) and performance indicators derived from the federal No Child Left Behind (NCLB) Act. Yet even with these new standards, budget cuts in the educational field are engendering setbacks for teacher development programs, per the report. Immediate policy intervention is necessary, the report argues, due to two main factors: predicted teacher shortage as a result baby-boomer retirement from the teaching workforce, and lack of investment in education.

For policy-related, economic, and demographic reasons, California is faced with the arduous task of backfilling the gap between fully credentialed teacher requirements and teachers who have not met the state's minimum qualifications to teach. Specifically, in California it is required that every teacher be prepared to teach English Learners (ELs), yet in 2004-05, 48 percent of fully credentialed teachers had no EL authorization. Furthermore, not only are the students in these classrooms not being effectively trained, but underprepared, unqualified teachers are being unevenly distributed within the state. According to the report, California's lowest-performing schools continue to have the least prepared teaching staffs and are most in need of highly qualified and experienced teachers. This notion is supported by data from 2004-05 showing that one out of every five teachers (21 percent) in the lowest achieving schools were underprepared and/or inexperienced, while only one in ten teachers (11 percent) in the highest achieving schools were unqualified, according to the report.

The authors conclude that opportunities exist for California to take decisive action in search of a highly skilled teacher workforce for every child in the state. The Center for the Future of Teaching proposes that the legislature and Governor Arnold Schwarzenegger take three direct steps to improving California's educational system. First, California needs to ensure that every teacher who instructs a body of students has thorough knowledge of the subject matter being taught and that they possess the skills required to teach all students. Secondly, all students need to have the assurance that their teacher is fully prepared, experienced, and appropriately assigned to the subject that they are teaching. The last action that needs to take place is to ensure that policymakers have a data system that allows adequate monitoring of state efforts to provide access to fully prepared and experienced teachers.

For more information on this report or to view a copy visit the CFTL website at <http://www.cftl.org> .

LATEST PPIC SURVEY EXAMINES SEXUAL ISSUES

The latest survey conducted by the Public Policy Institute of California (PPIC) shows Californians' preferences and understanding of sex education, access to birth control, and solutions to curbing social ills.

Currently, while the federal government continues to support abstinence-only programs, an overwhelming majority of Californians (78 percent) prefer sex education programs that also educate youth about obtaining and using contraceptives, according to the survey. Sixty-two percent of residents also consider sex education in schools to be at least somewhat effective in helping teens avoid pregnancy. In addition, 71 percent of Californians believe these programs are effective in helping teens avoid sexually transmitted diseases. More striking, though, is that 89 percent of Californians believe that access to contraception is very or somewhat important for reducing the number of unplanned pregnancies in their region. Hence, 75 percent of Californians say sex education is a very important part of the school curriculum and favor government funding for such programs (76 percent).

Californians strongly believe their local school districts should require sex education programs in both middle and high school (68 percent). Fifty percent of the population believes it is appropriate to introduce youth to sex education – including how to use and where to obtain contraceptives – in middle school as well as high school.

Fifty-four percent of the population supports teaching both middle and high school groups about how to get tested for HIV and other sexually transmitted diseases. Of statistical significance, survey results reveal that Latinos are more likely than Asians to support starting early with programs related to contraception (56 percent and 39 percent, respectively) and sexually transmitted diseases (58 percent and 44 percent, respectively).

Although a consensus exists with regard to support for sex education and birth control access, one in three Californians believe that lower income neighborhoods are less likely to have sex education programs in their schools and 51 percent also say that lower-income residents are less likely than others to have access to birth control methods or contraception. Currently, fewer than one in 10 Californians feel their local public schools are doing more than enough when it comes to teaching sex education.

When asked about how much Californians knew about sex education topics, 52 percent said they were highly informed about issues regarding birth control methods and contraceptives. However, this statistic proved to be racially and ethnically divided: 24 percent of Asians and 38 percent of Latinos say they know a lot about these issues. Moreover, even though 61 percent of all adults say they know a lot about the issues involving sex education – including the basics of human reproduction, abstinence, pregnancy prevention, and sexually transmitted diseases – only 38 percent of Asians and 42 percent of Latinos expressed this view.

In light of recent and current U.S. Supreme Court appointment proceedings, the majority of Californians (60 percent) responded that the Supreme Court's decisions on abortion are very important to them personally. Highly related to this matter is the issue of whether to keep or overturn the *Roe v. Wade* ruling by the U.S. Supreme Court. According to the PPIC data, seven in 10 Californians want the *Roe* decision to remain in force, while 22 percent want to overturn it. Interestingly, although the majority of all major racial and ethnic groups support maintaining the status quo, Latinos (32 percent) and Asians (25 percent) are more likely than Blacks (19 percent) and Caucasians (17) to want to overturn the decision.

Access to a complete version of this report is available at www.ppic.org.

CALIFORNIA RANKED #1 AMONG NATION'S EMERGENCY MEDICAL CARE SYSTEMS

The first ever study assessing emergency medical care systems conducted by the American College of Emergency Physicians gave California a letter grade of B, based on strong public health and injury-prevention track records and medical liability limits, including a \$250,000 cap on non-economic damages. However, the state scored lower in other subjects like access to emergency care and quality and patient safety.

California faces a number of serious challenges, including limited access to emergency care and increased emergency room closures, concentrated in the Los Angeles area, according to the report. In addition, nurse and physician shortages, coupled with the shrinking ability to care for an influx of patients, further contribute to the crumbling state of emergency care in California. To highlight this fact, the study reports that California ranked last in the nation in emergency departments per 1 million people, with only six. Furthermore, the state came in second to last in the number of registered nurses per 1,000 people, at 6.31; and 46th in the number of hospital staffed beds per 1,000 people (1.9). Like many other states, California is still unprepared to handle a surge of casualties from an epidemic, natural disaster, or terrorist attack, the study states.

A shortage of funding and high insurance liability were among the factors cited in the reasons why some states were provided with below-average support for emergency medical services. Emergency departments, by law, must accept any patient, regardless of their ability to pay. But, only half the care is ultimately reimbursed. In Los Angeles County alone, emergency room losses totaled \$143.3 million in 2002; similarly, San Diego County experienced a \$23.5 million loss in the same year.

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