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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 contributions from Sun Microsystems and IBM Corp.

LETTER CIRCULATING TO SUPPORT SCHIP WAIVER

Rep. Adam Schiff (Burbank) is circulating a Dear Colleague letter to the California Congressional Delegation seeking member signatures on a letter addressed to Center for Medicaid and Medicare Services Administrator Thomas A. Scully in support of California's request for an SCHIP waiver.

As previously reported in the Bulletin (*see, [Bulletin, Vol. 10, No. 12 \(05/01/03\)](#)*), Governor Gray Davis has petitioned the federal Center for Medicaid and Medicare Services (CMS) to allow counties to use local funds as a match for federal dollars under the State Children's Health Insurance Program, which covers health services to uninsured children. If approved, the petition will allow implementation of AB 495 signed by the Governor last year, which permits county agencies to use local funds to draw federal SCHIP available money to expand access to health care for poor children. State officials estimate that the petition would bring health coverage to up to 50,000 children statewide whose families do not have private insurance and are not covered by government programs for low-income earners.

Members interested in signing the letter to CMS Administrator Scully, urging him to approve the California State Plan Amendment, or for additional information, should contact Paul Kidwell in Rep. Schiff's office at 225-4176.

FRIDAY, MAY 9, PRC BRIEFING TO FOCUS ON WORKFORCE TRAINING; HOUSE PASSES BILL

On Friday, May 9, 2003, at 10:00 a.m., the Population Resource Center, the Northeast Midwest Congressional Coalition, the Association of Community College Trustees, and The California Institute for Federal Policy Research will host a breakfast briefing entitled, *Training a Workforce – What Will Keep America Working into the 21st Century?*

The briefing, to be held in Room 2105 of the Rayburn House Office Building, comes one day after the House completed work on reauthorization of the Workforce Investment Act (WIA) on Thursday, May 8. The bill, H.R. 1261, passed the House on a 220-204 margin. Approved March 27 by the Education and Workforce Committee, consolidates funding from three programs that currently assist unemployed workers, provide adult education, and fund state employment programs into a single block grant to states.

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The briefing will be moderated by Rep. Danny K. Davis (IL), and it will feature four presenters. John G. Haaga, Director of Domestic Programs at the Population Reference Bureau, will focus on "America's Workforce Today & Tomorrow." Anthony Carnevale, Vice President for Assessment, Equity, & Careers at the Educational Testing Service, will give remarks titled "Workforce Investment: the Challenges of a Changing Workforce." And Tony Girifalco, Executive Vice President of the Delaware Valley Industrial Resource Center will speak on "The Implementation Perspective - A Report from the Field."

BRIEFING HELD ON FUTURE OF U.S. SEMICONDUCTOR INDUSTRY

The National Academy of Sciences, in cooperation with the Northeast-Midwest Senate Coalition, the Senate Task Force on Manufacturing, and the California Institute, held a briefing on Thursday, May 8 on the future of the Semiconductor Industry in the United States. Presentations were given by: Kenneth Flamm, LBJ School of Public Affairs, University of Texas at Austin; Thomas Howell, Dewey Ballantine, LLP; Randall Isaacs, IBM; and Charles Wessner, The National Academies.

Following an overview of the importance of the industry to the U.S. economy and national security by Professor Flamm, Mr. Isaacs discussed the current trends in semiconductor manufacturing. He stated that the industry is undergoing unprecedented changes. After years of strong growth, long term market growth appears to be slowing to single digits, and research and development and manufacturing in the United States are becoming unaffordable. As a result many companies are not able to construct large manufacturing plants in the U.S. and are moving to offshore large scale sites. If that trend continues, design and integration capabilities will also migrate offshore with adverse consequences for the U.S. economy, as well as the U.S. government's ability to readily obtain necessary chips on a reliable basis. To slow this trend, Mr. Isaac made several recommendations. Among them were: stimulating stronger R&D in semiconductors through collaborations between universities and industry, and encouraging a strong U.S. manufacturing base by ensuring a supportive environment for capital intensive investments. Mr. Isaac also recommended that to ensure its own semiconductor needs, the U.S. government should partner with industry.

Mr. Wessner, representing The National Academies, discussed its new book, *Securing the Future - Regional and National Programs to Support the Semiconductor Industry*. Among its recommendations to better address the problems facing the industry and ensure its continued progress are: development of a three-way partnership among industry, academia, and government to sponsor more initiatives that encourage collaboration between industry and academia, especially in student training programs; increased government funding for current research programs; and establishment of new incentives to encourage research in semiconductors by professors and graduate students.

ENERGY AND COMMERCE EXAMINES SINGAPORE AND CHILE AGREEMENTS

The House Energy and Commerce Subcommittee on Commerce, Trade and Consumer Protection held a hearing on Thursday, May 8 to examine the impact of the proposed Singapore and Chile Free Trade Agreements on services and e-commerce.

The Subcommittee heard from a number of witnesses, including: Ralph Ives, Asst. U.S. Trade Representative for Asia-Pacific and APEC affairs; Regina Vargo, Asst. U.S. Trade Representative for the Americas; Michelle O'Neill, Dep. Asst. Sec. of Commerce for Information Technology Industries; Robert Hollyman, President and CEO, Business Software Alliance; David Waskow, International Policy Analyst, Friends of the Earth; Mark Bohannon, General Counsel, Software and Information Industry Assoc., and Thea Lee, Chief International Economist, AFL-CIO.

The three Administration witnesses spelled out some of the details of the Singapore and Chile Free Trade Agreements and touted the benefits that will result for the United States upon their implementation. Mr. Ives pointed out that the Singapore agreement will provide complete access for service industries and requires Singapore to treat U.S. service companies equally to their own companies. Both Mr. Ives and Ms. Vargo stressed the strong intellectual property provisions in the two agreements. Ms. Vargo also outlined the

transparency provisions of the Chile agreement, stating that they were similar to the United States' own Administrative Procedures Act. She also said that under the agreement all products exported to Chile will be duty free within 12 years, with 87 percent in fact becoming duty free immediately.

Mr. Hollyman and Mr. Bohannon both strongly supported the agreements. They applauded the fact that for the first time both agreements provide identical treatment to software transmitted over the Internet as for that shipped in boxes. Mr. Waskow and Ms. Lee, however, raised concerns over the environmental and workers' rights provisions in the agreement. Both argued that they were a step back from those negotiated in the U.S.-Jordan Free Trade Agreement. They argued that, inasmuch as the Chile and Singapore agreements were likely to become the templates for future agreements, it was especially important to strengthen their environmental and workers' rights provisions.

During questioning, Rep. Hilda Solis (El Monte) raised concerns that the provisions dealing with H1-B immigrant visas for skilled workers and the intellectual property provisions may constrain Congress from amending those laws in the future. The Administration witnesses believe there is sufficient flexibility in the agreements to prevent that, but acknowledged it would depend on the specific congressional amendments.

Testimony of all the witnesses can be obtained from the Committee's website at:

<http://www.energycommerce.house.gov> .

STATE AND LOCAL GOVERNMENT LEADERS PRESS FOR MORE HIGHWAYS AND TRANSIT RESOURCES

On Wednesday May, 7, 2003, Long Beach Mayor Beverly O'Neill testified before a House Highways and Transit Subcommittee panel at a hearing on state and local transportation needs. The focus of Mayor O'Neill's comments was the need to invest in better transportation infrastructure to facilitate the burden of trade at international trade traffic port cities such as Long Beach. Committee members also received testimony from state Governors on how to increase and modify the distribution of federal highway dollars to states.

Mayor of the fifth largest city in the United States, Beverly O'Neill underscored the critical importance of roads to the nation's economy. Forty-two percent of national trade, over 9 million containers, travels through Los Angeles and Long Beach ports, according to Mayor O'Neill. The expected doubling of this number by 2010 and tripling by 2020, justifies greater resource allocation to States such as California, according to Transportation and Infrastructure Subcommittee member Juanita Millender McDonald who is leading the charge for compensation to states who bear the burden of goods movement. Mayor O'Neill, a proponent of Rep. Millender McDonald's Goods Movement Caucus, raised specific concerns about the need to improve the 710 Freeway, one of the oldest and most dangerous freeways in existence that serves as the Port of Long Beach's main connective route.

Frequently citing a Department of Transportation report estimating the cost of improving transit at \$20 billion per year and highways and bridges at \$106 billion per year, Governors from the States of Kentucky, Michigan and Pennsylvania all agreed that the current funding level for national highways (\$32 billion) and transit (\$7 billion) is insufficient to meet the states' transportation needs. Speaking for the National Governor's Association, Gov. Patton of Kentucky supported increased and predictable federal funding commitments from the committee as well as retention of funding guarantees and state flexibility. Gov. Granholm of Michigan challenged the fairness of the minimum guarantee provision in transportation law arguing for an increase in the return to donor states for their contributions to the Highway Trust Fund from a floor of 90.5 percent to 95 percent.

Although California is currently classified as a donor state with respect to highway funds, receiving about 0.89 cents from the HTF for every dollar it invests, there is speculation that this may change in the coming years due to increased consumption of alternative fuels. In addition, it is valuable to note that when transit funding is factored into the equation along with highway funding, California's donor state status falls sharply. California wins a large portion of federal transit formula funding.

Gov. Ed Rendell of Pennsylvania rebutted Gov. Granholm's remarks calling the donor-donee discussion a politically unpopular, zero-sum game. Instead he favored action that would increase the overall pot of available federal highways and transit dollars supporting the notion of a gas tax increase to pay for the growth in funding as well as indexing the gas tax to keep pace with inflation. The Bush Administration is opposed to increasing the federal gas tax above its current rate of 18.3 cents per gallon.

Given that the current transportation authorization act, TEA-21, (the Transportation Equity Act of the 21st Century) will expire in less than five months, the House Transportation, Infrastructure and Pipelines Subcommittee plans to turn its attention to carefully reviewing President Bush's multi-year surface transportation proposal, entitled SAFETEA, over the coming weeks. The Subcommittee has announced that hearings on SAFETEA will be held Thursday, May 15, at 2:00 pm; Tuesday, May 20, at 10:00 am; and Wednesday, May 21, at 2:00 pm. All three hearings will take place in Room 2167 of the Rayburn House Office Building.

For more information or to review the testimony of witnesses at this hearing visit the House Transportation and Infrastructure Committee website at <http://www.house.gov/transportation> .

FORMATION OF CONGRESSIONAL "GOODS MOVEMENT CAUCUS" IS ANNOUNCED

On Wednesday, May 7, 2003, Rep. Juanita Millender-McDonald (Carson) and Rep. Lincoln Diaz-Balart (FL) held a press conference to announce the formation of the Goods Movement Caucus, a bi-partisan effort to address issues and concerns related to the reauthorization of the Transportation Equity Act for the 21st Century (TEA-21). According to Congresswoman Millender-McDonald, the caucus will serve as an "incubator of ideas" surrounding issues of ensuring safe freight mobility, congestion, economic development, public/private partnerships, and others. Noting the importance of infrastructure to the trade-driven economy, she commented that the "transportation system is built on speed and agility. With just in time delivery, our transportation system is becoming the nation's warehouse."

The caucus will develop its agenda and focus areas in the near future. Among potential topics are separating the Borders and Corridors Program to create two distinct programs, and increasing funding levels for the programs. Other agenda items of the Caucus include: investigating measure for funding intermodal freight infrastructure, working with stakeholders and communities in developing improved local transportation networks, increasing Metropolitan Planning Organization (MPO) planning funds, and supporting Intelligent Transportation Systems (ITS) technology.

The Honorable Beverly O'Neill, Mayor of the City of Long Beach; Ms. Susan Turner of the American Association of Port Authorities; and Leslie Blakey with the Coalition for America's Gateways and Trade Corridors also spoke at the press conference. Mayor O'Neill praised the creation of the caucus and emphasized the need for federal funding of the Long Beach and Los Angeles Ports, which handle close to 45 percent of the nation's freight traffic. More locally, she commented that 15% of all goods entering the nation (\$196 billion worth annually) travel over Long Beach's seven miles of the 710 freeway and the (now crumbling) Desmond Bridge. As did Mayor O'Neill, both Ms. Blakey and Ms. Turner also offered their support for the caucus agenda and stressed the important effect that the transportation infrastructure has on the health of the national economy.

The press conference marked the second event in the life of the Goods Movement Caucus. The caucus held a Freight Forum on May 1, 2003 (See, [Bulletin, Vol. 10, No. 12 \(5/01/03\)](#)). Dozens of industry stakeholders that attended the forum voiced strong support for the creation of the Caucus and offered their assistance and expertise.

INNOVATIVE TRANSPORTATION FINANCING SCHEMES CONSIDERED

The Joint Economic Committee held a hearing this week to examine various innovative transportation funding proposals aimed at decreasing congestion and generally improving our nation's driving experience. Titled "*Financing Our Nation's Roads*", the hearing was held on Tuesday, May 6, 2003. While offering

opening remarks, Committee Chairman Sen. Robert F. Bennett (UT) noted that “transportation makes up roughly ten percent of our nation’s economy” and that “the estimated cost of traffic jams due to wasted time and fuel in 2000 was \$67.5 billion” and can become particularly disruptive in an economy based on “just-in-time” delivery and customized production.

The Committee first heard testimony from Reps. Mark Kennedy (MN) and Marilyn Musgrave (CO), who spoke about the introduction of the bipartisan Freeing Alternatives to Speedy Transportation (FAST) Act. The bill facilitates the construction of new road lanes that drivers would be able to use by paying a fee. The FAST Act aims to lift a federal prohibition that prevents states from implementing a user fee-based revenue stream, which could then be used to expand congested interstate systems. Rep. Kennedy testified that the FAST Act consists of three components: 1) fees would only be collected using non-cash electronic technology, 2) revenue collected would be dedicated to new FAST lanes only, and 3) the fees would expire when the revenues collected from such FAST lane users have repaid the cost of building the lanes. A similar proposal is expected to be introduced in the Senate by Senator Wayne Allard (CO) in the near future.

The Committee also heard testimony from Mr. Robert W. Poole, JR., Director of Transportation Studies and Founder of Reason Foundation; Dr. Robert Atkinson, Vice President of the Progressive Policy Institute; Dr. William R. Buechner, Vice President of Economics and Research, American Road and Transportation Builders Association; and Mr. Michael A. Replogle, Transportation Director, Environmental Defense.

Mr. Poole put forward an idea of “hot networks”. He proposed converting underutilized high-occupancy vehicle (HOV) lanes into high-speed high-occupancy toll (HOT) lanes, which drivers can use by paying the market price, while buses and vanpools can use the lanes free of charge. Citing successful examples of such HOT lanes in several California (San Diego, Orange County) and Texas locations, Mr. Poole stated that the toll revenue stream could be used to support a large-scale toll revenue bond issue, further generating funding to build out existing HOV lanes into a network encompassing most of the metro area’s freeway system. Mr. Poole estimated the cost of such conversion to be \$43 billion.

Similarly, Dr. Atkinson advocated converting HOV lanes to HOT lanes, and also suggested extending the idea to create value express lanes, whereby new roads or lanes are built and supported in all or part through the use of tolls. Dr. Atkinson addressed several criticisms with respect to road pricing, such as that this particular practice would be inefficient and costly, that it would constitute double taxation, and that it would be unfair to all segments of the population. Dr. Atkinson countered that HOT lanes would be fitted with electronic toll collection systems that use vehicle-mounted electronic transponders to automatically debit funds from drivers’ pre-paid accounts. Secondly, he noted that combined collections from gas taxes and tolls currently cover only about 88 percent of the cost of highways, a percentage that is even lower when one takes the cost of maintaining local streets into consideration. Thirdly, Dr. Atkinson argued that using tolls would actually result in higher earners paying more for public infrastructure, despite accusations that such “Lexus lanes” would unfairly aid the wealthier population.

Mr. Buechner also testified in support of a user-fee raising scheme, and added that his organization is interested in seeing more public-private initiatives put into action when funding transportation systems across the nation. Steering discussion away from the highway financing, Mr. Replogle implored Congress to assure a more level playing field for competition between travel modes during the upcoming reauthorization of the Transportation Equity Act for the 21st Century (TEA-21), particularly with respect to transit. Mr. Replogle said that “when financing, taxation, and pricing systems favor driving and roads over transit and other modes, as was the case for much of the last century, it skews investment and consumption decisions, harming efficiency, welfare, and the environment.” Citing results of a recent poll which showed 8 in 10 Americans agree that increased public investment in public transportation would strengthen the economy, Mr. Replogle testified that more toll revenues should be dedicated to expanding travel choices. While expressing his support for road pricing, Mr. Replogle indicated that if revenues collected are invested in public modes of transportation, road pricing increases equity, reduces demand for road expansion, and enhances environmental performance.

For more information about this hearing or to obtain full testimonies, please visit Joint Economic Committee's website at: <http://jec.senate.gov> .

EARTHQUAKE HAZARDS REDUCTION PROGRAM SUBJECT OF HOUSE HEARING

The House Science Research Subcommittee held a hearing on Thursday, May 8, on the *National Earthquake Hazards Reduction Program (NEHRP): Past, Present and Future*. The subcommittee heard from a number of witnesses, including: Anthony Lowe, Administrator, Federal Insurance Mitigation Administration; Dr. Lloyd Cluff, Director, Geosciences and Earthquake Risk Management, Pacific Gas and Electric Co.; and Thomas O'Rourke, President, Earthquake Engineering Research Institute. Opening the hearing, panel Chairman Nick Smith (MI) commented that, "Earthquakes are not just a California problem. A 7.9 magnitude quake took place last November 3rd in Alaska, and both Alabama and Charlottesville, Virginia experienced earthquakes in the last week."

The Federal Insurance Mitigation Administration is a division of the Emergency Preparedness and Response (EPR, formerly FEMA) Directorate of the Department of Homeland Security. Mr. Lowe testified on the success of NEHRP, using as an example a comparison of the Nisqually earthquake near Seattle in February 2001 and the Kobe, Japan earthquake. While both were roughly the same magnitude, the Nisqually earthquake did occur deep underground, mitigating its effects. Nevertheless, Mr. Lowe stated the quake caused over \$30 billion in damage, whereas the Kobe, Japan quake cost over \$100 billion in damages, and caused approximately 5,500 fatalities. Mr. Lowe outlined the NEHRP Strategic Plan for the members, which has been developed to promote knowledge and mitigation practices and policies to reduce fatalities, injuries, and other economic and other expected losses from earthquakes. He assured the members that from its new position in the Homeland Security Department, the Mitigation Division will continue to implement NEHRP to protect Americans from earthquake hazards.

Mr. Cluff has been involved with NEHRP since its inception in the mid-seventies. He cited the success that PG&E has had leveraging its efforts to improve earthquake safety and reliability of its gas and electric systems through the development of user-driven, public/private research partnerships, funded in part by NEHRP programs. He also made several recommendations on ways that NEHRP could be improved. First, he testified that most of the earthquake monitoring instrumentation is outdated and should be replaced. He urged the full funding and implementation of the 2000 Advanced National Seismic System (ANSS) Act, which is designed to expand and replace current monitoring systems. He also proposed that a private advisory committee be established to help the four agencies with NEHRP responsibility (FEMA, USGS, NSF, and NIST) to set goals and priorities and see that they are met.

Additional information and testimony of all the hearing's witnesses may be obtained from the Committee's website at: <http://www.house.gov/science> .

NUNES BILL ON CALIFORNIA DAIRY PRICING SET FOR FLOOR CONSIDERATION

On Tuesday, May 13, the House of Representatives is expected to consider a bill, H.R. 1659, by Rep. Devin Nunes (Pixley) that seeks to close a loophole in current federal milk marketing rules that the bill's supporters argue might otherwise adversely impact the California dairy industry.

Prices that are paid to farmers for milk are governed by either a federal milk marketing program (for many states) or else by a state program (if a state has its own milk marketing program). California has a state program. The federal milk marketing program sets a minimum price paid by milk processors to dairy farmers, but that price is based on where the product is ultimately sold.

The loophole that the Nunes bill seeks to close is that current federal law allows a milk processor in a federal-order state to sell milk into a non-federal-order state (like California) without regulation (and without a minimum price). Thus, a major processing plant in another state could bottle and sell milk into California and theoretically could sharply undercut the prices of California-based sellers. The bill by Rep. Nunes, himself a

dairy farmer, would close the loophole by equalizing treatment, regardless of whether the milk is sold in a state- or federally-regulated state.

A recent letter to Congressional leaders and the California Congressional Delegation from a cross section of dairy farmers and producers (including the Dairy Institute of California, Alliance of Western Milk Producers, National Milk Producers Federation, Dairy Farmers of America, and Western United Dairymen) expressed concern that the loophole will result in “the unregulated sale of approximately 4.5 to 7.5 million gallons of milk per month into California, at prices below those of processors regulated under the jurisdiction of either the California or federal milk marketing orders.” The letter estimated that the state’s dairymen would be “expected to suffer losses of over \$24 million every year if this loophole is not closed.” The farmers and producers argued that the Nunes bill “affords all dairy farmers and dairy processors the same level of regulation, no higher or lower.”

In 2002, Southern California’s milk industry employed 6,100 at dairy farms, 7,500 at milk plants, and 5,000 at bottling plants, according to data by Applied Development Economics of Sacramento, with an estimated additional employment of nearly 30,000 also related to the industry in the area.

WAGE GAPS BETWEEN RACIAL AND ETHNIC GROUPS ARE GROWING WIDER, PPIC STUDY REPORTS

The wage gap between U.S.-born Latinos and whites has stayed steady from 1979 to 2000, while the gap in earnings between the African-American and white populations has actually widened, reports a new study released by the Public Policy Institute of California on May 7, 2003. Authored by Deborah Reed and Jennifer Cheng and titled “*Racial and Ethnic Wage Gaps in the California Labor Market*”, the study found that education and training played key factor in determining wages.

Overall, the study found that in 2000 Hispanic men earned 81 cents for every dollar earned by white men (\$16.96 for Hispanic and \$20.83 for white men were the median wages, respectively) and African men earned 74 cents on a dollar (median of \$15.41), while Asian men earned a relative wage of \$1.04 compared to a dollar earned by white men (median wage of \$21.82). Similarly, the study also found that Hispanic women’s wages translated into 79 cents on the dollar that white women made, or the median wage of \$13.40 and \$17.03 respectively. African-American women earned 86 cents on the dollar in comparison to the wage of white women. Like their male counterparts, Asian women’s earnings were higher than those of white women, with Asian women earning \$19.54, or \$1.15 for every dollar that white women earned.

When examining the trends in wage gaps between the white and Hispanic, African-American, and Asian segments of the population between 1979 and 2000, the authors noted no substantial changes. However, a comparison between African-American and white workers between 1989 and 2000 yielded a decline in wages for African-Americans.

The study contributes lower wages for Hispanics and African-Americans and higher wages for Asians as compared to the white population to their differing education levels. Compared to white workers, U.S.-born Hispanic workers have lower educational attainment and work in lower-paying occupations, while Asian workers tend to have higher levels of education and are likely to hold higher-paying jobs. The study suggests that continued improvement in the education and occupational status of Hispanics and African-Americans would contribute to the increase in their wages and consequent narrowing of the wage gap. The latter would require improvements in the quality of K-12 public schools, particularly in underperforming school districts, where a majority of the Hispanic and African-American populations live.

Ms. Reed and Ms. Cheng concluded that improved educational and occupational opportunities for workers with low resources will reduce racial and ethnic wage gaps in the long run.

For more information about the study, please visit Public Policy Institute of California website at: <http://www.ppic.org> .

DIGITAL PIRACY FOCUS OF ENTERTAINMENT CAUCUS DISCUSSION

On Thursday, May 8, 2003, the Congressional Entertainment Caucus held a briefing entitled “*How Global Pirates are Holding Our Entertainment Industry Hostage*”. A panel consisting of members of the entertainment industry examined issues of the difficulties facing the industry in implementation of intellectual property laws, types of international law and treaties that have been instrumental in combating global piracy, and innovative approaches to dealing with the issue.

Panelists included: Ms. Bonnie Richardson, Motion Picture Association of America; Steven Mitchell, Interactive Digital Software Association; David Sutphen, Recording Industry Association of America; Francis Grab, Director's Guild of America; and Arthur Sackler, International Intellectual Property Institute. All panelists voiced the need for passage of laws and trade agreements, similar to the Chile and Singapore Free Trade Agreements that Congress will consider this year, that include provisions against international piracy and dictate greater scrutiny by foreign governments into digital piracy practices on their soil.

Caucus Chairwoman Diane E. Watson (Los Angeles), during opening remarks, noted that the U.S. entertainment industry continues to lose \$20-\$22 billion in profits annually from digital piracy. She also reiterated that the Caucus’ priorities include promoting and facilitating communication between Congress and the entertainment industry, providing a bipartisan forum for the free flow of information important to the entertainment community, and supporting and strengthening the U.S. entertainment sector both domestically and abroad.

The Caucus is currently comprised of 30 members of Congress, which includes 12 members of the California Congressional Delegation. In addition to Chair Diane E. Watson, the other Californians are: Reps. Xavier Becerra (Los Angeles), Howard Berman (Valley Village), Darrell Issa (Vista), Zoe Lofgren (San Jose), Barbara Lee (Oakland), Juanita Millender-McDonald (Carson), Loretta Sanchez (Anaheim), Adam Schiff (Burbank), Brad Sherman (Sherman Oaks), Hilda Solis (El Monte), and Henry Waxman (Los Angeles).

PPIC SURVEY FINDS GROWING AIR QUALITY CONCERNS AMONG CENTRAL VALLEY RESIDENTS

Air pollution is further developing into more of a concern among California Central Valley residents than those living in Los Angeles County, according to the most recent *Special Survey of the Central Valley* conducted by the Public Policy Institute of California (PPIC) and the Great Valley Center (GVC). Furthermore, respondents identified other growth and development related concerns as among the most serious issues when asked to name the most important policy issues for the region.

According to the report, of 2,000 residents polled in the 19-County Central Valley area, air pollution (16%), water quality and supply (14%), jobs and the economy (11%), population growth (8%), and crime and gangs (8%) were recorded most frequently as the most important issues facing the region. Seventy-five percent of respondents view air pollution as either a big problem or somewhat of a problem, with residents of South San Joaquin most likely to be concerned with air quality as a big problem.

Residents also showed a willingness to alter lifestyles in order to improve the quality of the air; with 51 percent expressing a willingness to take more frequent public transit trips and 77 percent of SUV owners showing a willingness to drive more fuel efficient cars. Respondents also showed support for tougher federal environmental regulations (66%); on the other hand, they were significantly less approving of government action to ameliorate air pollution if it were to hurt the local economy (39%).

PPIC is a private operating foundation dedicated to improving public policy in California through independent, objective and non-partisan research. The Central Valley Survey is a special edition of the PPIC Statewide Survey, conducted to provide a comprehensive advocacy-free study of the political, social and economic attitudes and public preferences of Central Valley residents. To view a copy of this report visit the PPIC website at <http://www.ppic.org>.