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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 contributions from Sun Microsystems and IBM Corp.

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BIPARTISAN CALIFORNIA DELEGATION LETTER SEEKS USDA HELP AGAINST PIERCE'S DISEASE

A bipartisan majority of the California Congressional delegation signed a letter addressed to the United States Department of Agriculture (USDA) Secretary Ann Veneman, voicing "strong support" for the provision of additional funding to combat Pierce's Disease in California.

Pierce's Disease is spread by the glassy-winged sharpshooter, which also spreads Almond Scorch, and is lethal to grapevines and almond trees. The letter notes that the further spread of the two diseases could cause immense harm to California's $2.8 billion grape industry and $838 million almond industry.

According to the letter, the USDA is currently considering using funds, under the authority of the Department's glassy-winged sharpshooter emergency declaration of June 2000, to control and prevent the spread of the glassy-winged sharpshooter, the insect that most commonly spreads Pierce's Disease. The money under consideration would supplement $22 million in appropriated dollars to control the spread of the disease, of which $11 million would be available for pest emergencies. The total also includes $6 million for monitoring and "program action" in Kern, Riverside, Tulare, and Ventura counties, and $5 million for treatments by nurseries within the infested areas. As of February 25, 33 members on both sides of the aisle had signed the letter, which stated that "it is imperative that funding to combat Pierce's Disease be provided as soon as possible."

Secretary Veneman, herself a former Secretary of the California Department of Food and Agriculture, is familiar with the needs of the state's wine, almond, and nursery industries.

For more information about the letter, please contact Mike Holland in Rep. Bill Thomas' office at (202) 225-2915.

HOUSE SENDS SENATE TWO-MONTH TEA-21 EXTENSION BILL, SUPPLEMENTING AN EARLIER FOUR-MONTH BILL

In the evening of Thursday, February 26, 2004, the House approved H.R. 3850, a bill to extend the nation's highway and transit law for two months -- from the end of February through the end of April. The measure, approved by unanimous consent, would further extend the existing extension bill that has been maintaining the functions of the Transportation Equity Act for the 21st Century (TEA-21) until Congress comes to a long-term agreement on reauthorizing the Act for six more years. The Senate is expected to pass the extension bill on Friday, February 27, as long as an increasingly-thorny issue regarding a September 11 commission can be worked out in the Senate.

TEA-21, which governs the nation's highways and transit programs, expired at the end of last year's legislative session. Unable to agree on spending levels to TEA-21 successor, Congress approved an initial stop-gap measure maintaining authorizations for five months in September, 2003. Since then, a long term authorization bill has been approved in the Senate (S1072) and initial action has begun in the House. House Transportation and Infrastructure Committee Chairman Don Young (AK) hopes to to mark up the highways and transit authorization proposal on March 3, 2004, although differences of opinion regarding funding totals may continue to delay consideration.

In anticipation of the extension's sunset on February 29, the House on February 11 unanimously approved a four-month extension, HR 3783, to keep TEA-21 programs operating through June. However, after some Senators protested that four months was too long a wait, Chairman Young floated a separate 60-day extension measure that was approved on the House floor Thursday and would run through April 30.

For a discussion of the Senate-passed bill, *see Bulletin, Vol. 11, No. 5 (2/13/2003)*. For additional information regarding California's share of the highway formula programs, see Tim Ransdell and Shervin Boloorian, *Federal Formula Grants and California: Federal Highway Programs*, a February 2003 report in a series (a joint venture between the California Institute and the Public Policy Institute of California) that examines California's share of federal grant programs prepared in, available on PPIC's website at http://www.ppic.org/main/publication.asp?i=467 .

The California Institute has posted on its website a table showing each state's purported future share of total funding from the TEA-21 reauthorization proposals, including the Administration's SAFETEA proposal, the House's TEA-LU bill, and the Senate's bill. It is important to note that the amounts are as represented by the proposers. The table is available at http://www.calinst.org .

GOVERNOR SCHWARZENEGGER MEETS WITH BIPARTISAN CALIFORNIA CONGRESSIONAL DELEGATION DURING D.C. VISIT

In conjunction with the annual meeting of the National Governors' Association, California Governor Arnold Schwarzenegger visited Washington this week, and he met jointly and individually with a bipartisan cross section of California Congressional members during the trip.

On Tuesday, February 24, 2004, the Governor and the California Members of Congress compared notes regarding base closures, transportation, health care and Medicaid, ethanol, the State Criminal Alien Assistance Program (SCAAP) and other issues. There was also discussion of ways to retrieve billions of additional federal dollars for the state, in line with the Governor's promise to be "the Collectinator" of federal funds from Washington. Among his meetings on Capitol Hill was one with Senate Appropriations Committee Chairman Ted Stevens (AK).

Governor Schwarzenegger has focused considerable attention on efforts to improve California's share of federal funding, often noting that for every dollar in federal taxes paid by a California, the state receives back 77 cents in federal spending for grants, contracts, salaries and direct payments such as Social Security and medicare. For additional information about this "balance of payments deficit," visit the California Institute website at http://www.calinst.org .

In related news, Governor Arnold Schwarzenegger appointed Lester Snow to head the California Department of Water Resources. Mr. Snow has over 25 years experience in public water resource management. He has served as the Mid-Pacific regional director of the U.S. Department of Interior's Bureau of Reclamation, and from 1995 to 1999 was the executive director of the CALFED Bay-Delta Program.

CALIFORNIA DEMOCRATS URGE JOINT EFFORT WITH GOVERNOR TO FIGHT FOR FY05 FEDERAL FUNDING

The 33-members of the California Democratic Congressional Delegation wrote a letter to Governor Arnold Schwarzenegger on Thursday, February 26, 2004, urging him to join with them to "get California its fair share of federal funding" in FY05. The letter enclosed a list of several federal funding programs that the members cite as "areas where our state is being shortchanged through programs being eliminated, funding levels cut, programs being under funded, or other budget areas of concern."

Among the programs cited in the list accompanying the letter are: elementary and secondary education, energy refunds, Medicaid, first responders funding, port security grants, the State Criminal Alien Assistance Program (SCAAP), the Community Oriented Policing Services (COPS) program, the State Children's Health Insurance Program (SCHIP), and the TEA-21 transportation reauthorization funding. The letter estimates that California could lose more than $20 billion if the President's budget proposal is adopted.

Acknowledging that federal funds will be tight this fiscal year, the letter states: "But, we cannot afford to be passive in our response to the budget proposal. We must unite during the upcoming FY05 appropriations process to change these policy and funding situations in ways that will best benefit all Californians."

SENATE HELP COMMITTEE HOLDS HEARING ON HIGHER EDUCATION ISSUES

A panel of higher education experts delivered testimony at a Senate hearing on quality and accountability in institutions of higher learning, on February 24, 2004. Committee on Health, Education, Labor and Pensions (HELP) Chair Judd Gregg (NH) convened the hearing to examine accreditation processes and their value in light of criticism over the decline of quality core curriculum programs in colleges and universities. Committee members received starkly contrasting accounts of the current system's accreditation status and worthiness.

Sen. Gregg in his opening remarks expressed dismay at reports showing a decline in writing quality among recent college graduates and at the shrinking number of core subjects in many of today's college curricula. He acknowledged that accreditation represented one of many components that affect education quality, but he questioned the extent to which accreditation agencies, recognized as reliable higher education assessment agencies by the Secretary of Education, focus on student achievement and student outcomes to accurately evaluate the qualifications of campuses.

Dr. Jerry L. Martin, Chair of the American Council of Trustees and Alumni, faulted accreditation agencies for a decay in college education quality, charging that accreditation demands placed on colleges and universities are too low. Citing a number of studies and quotes from respected figures, Dr. Martin argued that current accreditation practices had permitted widespread grade-inflation, watering down of general education curriculum integrity, and political intimidation. In his view, with the current focus of accreditors being geared to faculty credentials, campus course schedules, governance and finance procedures, accreditation agencies ignore the principles of education quality and student performance as measures of academic success, to the detriment of students and the education system.

Dr. Steven D. Crow, Executive Director of the Higher Learning Commission, North Central Association of Colleges and Schools, rebuked Dr. Martin's evidence of persistent failure in schools as unqualified and called similar assessments of the system "bogus." In his testimony, Dr. Crow, a co-chair of an accrediting agency, described the current accreditation system as effective and trustworthy. Moreover, he argued that regional and national accrediting associations have made student learning a focal point of their evaluation standards. He offered some suggestions for improving the system, including clear language in law that would require accreditors to weigh student learning based on qualitative standards, suiting performance standards at school to their educational objectives, freedom for authorization agencies to consider public disclosure of student learning data as a learning outcomes standard, greater accreditation attention to a campus' transfer policies and practices, and the rejection of special evaluation standards or classifications for eLearning.

Another presenter, Dr. Robert L. Potts, speaking on behalf of the American Association of State Colleges and Universities (AASCU), supported Dr. Crow's comments and his suggestions for how to improve the current system. According to Dr. Potts, the national Higher Education system is the "envy of the world." He went on to advise against any wholesale changes, asserting the likely ineffectualness of any legislative mandates as ways to fix the ills of the system.

When asked how much change he thought was necessary to improve the current system, Dr. Martin recommended a different approach based on delinking federal student loans from accreditation – instead the Department of Education should establish a one-step system of reporting with penalties or sanctions and withholding of federal aid for fraudulent behavior at colleges. He also advocated more competition in the accreditation process by extending greater quality-oversight authority to college trustees, alternative accrediting academies and states to strengthen core programs and academic standards in colleges and universities.

Committee members later this year will consider Higher Education Act reauthorization legislation.

For more information on this hearing, visit the Senate HELP Committee website at: http://labor.senate.gov/calendars/edu.html .

WATER AGENCIES ADDRESSED BY SEN. FEINSTEIN AND REP. CALVERT

The Association of California Water Agencies (ACWA) held its 2004 Washington Conference on February 22-25, which was attended by about 75 representatives from water agencies throughout the state. During their meeting, attendees met with numerous executive and legislative branch officials to discuss water issues affecting California. On Tuesday, ACWA members heard from Rep. Ken Calvert (Corona) during a lunch session on Capitol Hill, and at breakfast on Wednesday, Sen. Dianne Feinstein addressed the group.

Rep. Calvert discussed several issues, including the recent completion of the Quantification Settlement Agreement (QSA), the CALFED Bay-Delta reauthorization bill, and in response to a question, the Salton Sea restoration. On CALFED, Rep. Calvert expressed hope that the bill could be completed this year. He commended Senator Feinstein for her continuing efforts to move the Feinstein/Boxer bill (S. 1097) on the Senate side, and expressed hope that his legislation (H.R. 2828) will be marked up in the full Resources Committee in the near future. He did, however, acknowledge that if the House bill contained Davis-Bacon language, requiring that prevailing wage rates apply to water projects, H.R. 2828 would not be taken up on the House floor. He stated that he would work to defeat a Davis-Bacon amendment if it is offered at the full Committee markup.

At the breakfast Wednesday morning, Senator Feinstein announced that it is possible the Senate Energy and Natural Resources Committee will mark up her bill before April. She also supported "pre-conferencing" the Senate and House versions of the bills to get one version of the legislation, which would offer the chance that it can bypass further committee consideration and go directly to floor consideration in the Senate under unanimous consent. She stated that, although she is very committed to increasing water storage, she did not think the House bill, which pre-authorizes water storage projects, could win Senate approval. She also mentioned that House Majority Leader Tom DeLay has stated that he will kill any bill containing Davis-Bacon language.

ACWA is the largest coalition of public water agencies in the country with over 450 public agency members collectively responsible for providing 90 percent of the water to California's cities, farms, and businesses.

BRIEFING EXPLORES WELFARE REFORM EFFECTS IN CALIFORNIA

On Monday, February 23, 2003, the RAND Corporation held a briefing that addressed the issue of welfare caseload decline over the past decade, which some believe to be a direct result of the welfare reform law passed in 1996. The briefing focused on a recently released RAND study that looked at national and California trends of the caseload decline, and examined several contributing factors that led to it.

One of the key goals of federal welfare reform -- the Personal Responsibility and Work Opportunities Reconciliation Act (PRWORA) that created the Temporary Assistance for Needy Families (TANF) program and the California Work Opportunity and Responsibility to Kids/CalWORKs program -- was to move recipients off the welfare rolls and to self-sufficiency. PRWORA allowed states greater flexibility with regard to implementation and brought forth such high-profile state TANF policies as financial incentives for work, sanctions for non-participation in welfare-to-work activities, and time limits.

The attendees heard a presentation of the RAND study from Mr. Jacob Klerman, who is a Senior Economist at RAND and Professor of Economics in the Pardee RAND Graduate School of Policy Studies. Mr. Klerman explained that the study quantifies the effect each of welfare reform's policies has had on the welfare caseload in the states that implemented them. The study used the estimated effects to explain the national caseload decline of 56 percent and California's smaller caseload decline of 44 percent.

Mr. Klerman argued that policy changes by themselves did not account for such dramatic changes. Rather, the study found that the robust economy of the mid and late 1990s in combination with the above-mentioned high-profile policies and other unmeasured changes explained why the welfare caseload declined by more than half from its peak level in March 1994. Mr. Klerman also touched on the issue of California's caseload decline, which proved to be less dramatic than that of the rest of the U.S. He noted that the state has the 5th highest benefit level and relatively weak sanctions for non-compliant recipients, which, he contended, translated into a lesser decline.

Mr. Klerman also said that the study points to the conclusion that welfare reform policies do matter, though it is important to consider the trade-offs between a smaller caseload and other outcomes of interest when choosing policies.

For more information about the RAND Corporation, please visit their website at: http://www.rand.org .

STUDY SHOWS STATE'S POOR ARE BETTER OFF THAN EXPECTED, BUT WORSE OFF THAN IN EARLIER DECADES

California's recent downturn has not hit the state's poor as hard as was expected, although they remain to be worse off than in earlier decades reports a new study released on Friday, February 13, 2003 by the Public Policy Institute of California (PPIC). A part of the series of reports on population trend and profiles, this edition of *"California Counts"* examined recent trends in the distribution of family income in California. It includes comparisons to trends in earlier decades using household survey data collected annually by the U.S. Census Bureau for the years 1969 to 2002.

In addition to family income trends, the study also looked at trends in poverty and affluence, sources of family income, family income distribution by demographic group and by region, and demographic and economic determinants of income trends. The study found that California's poorest families saw their annual incomes drop from $15,950 to $15,500 between 2000 and 2002, which represents a much smaller drop (3 percent) than the 20 percent decline they experienced during the 1989-1993 recession. At the same time, the poverty rate grew from 12.4 to 13.1 percent between 2000 and 2002, while it was 9.6 percent in 1977 and peaked at 18.1 percent in 1993. Overall, the poverty rate has increased in the state by 4 percent since 1969, while in the rest of the country poverty was lower in 2002 at 11.9 percent than it was in 1969 at 12.5 percent. As a result California has a higher poverty rate than the rest of the nation, and if the figures are adjusted for the higher cost of living in California, the difference would be even greater.

Looking at the data, PPIC found that the relatively severe income gap between rich and poor in the state, as well as the nation, declined: the proportion of Californians living in low-income families was 32.9 percent (versus 30.1 percent in the rest of the nation) in 2002, down from 39.9 percent in 1993, while the proportion of the affluent increased to 15.8 percent in 2002 (13.3 percent nationally). The study notes that the growth in income for middle-income families is largely a reflection of a higher work effort, considering that since 1969 female earnings have been the main engine of income growth for families. Poverty and affluence, however, varies by region and demographic group. The study found that the poverty rate for children is higher (17 percent), and for people age 65 and older is lower (8 percent) than the rest of the population in the state (14.2 percent). In addition, foreign-born Hispanics (24 percent) and American Indians (22 percent) had a very high poverty rate, while U.S.-born Hispanics and blacks had about twice the poverty of U.S.-born whites. The study found that U.S.-born whites are the largest population group in California at 42 percent and that they constitute 65 percent of the affluent population. The study also found that female-headed households with children had the lowest income levels of any demographic group studied and the highest poverty rate of 30 percent. Geographically, the San Joaquin Valley had a much higher poverty rate than any other region (22 percent), while the San Francisco Bay Area, Sacramento region, and Orange County had a relatively low poverty rate of under 9 percent. The San Francisco Bay Area had the highest affluence rate of any region (26 percent), with about one-third of affluent families living in the Bay Area.

The PPIC study points out that several factors determine income trends in California. Growth in female employment and earnings has been the most important source of income growth for middle-income families. A substantial increase in the number of female-headed families with children has led to increased poverty. The study names immigration and the growing value of education as determinants as well, because immigrants tend to have low incomes and high poverty rates and thus increase income inequality in the state, as does the increasing emphasis on higher education in the California labor market.

For more information visit the PPIC website at: http://www.ppic.org .

PPIC Examines Voter Attitudes About March 2nd Ballot Measures

California's voters remain skeptical about the ballot measures they are going to vote on in the upcoming March 2nd election, reveals a new poll conducted by the Public Policy Institute of California (PPIC). Released on Friday, February 20, 2003, the poll looked at voter approval of the Public Education Facilities Bond Act (Proposition 55), which is a $12.3 billion effort to raise money for public school facilities; the State Budget, Related Taxes, Reserve, Voting Requirements (Proposition 56) ballot measure; a $15 billion Economic Recovery Bond Act (Proposition 57); and the California Balanced Budget Act (Proposition 58).

The poll results indicate that Proposition 57 has much less than majority support (38 percent), while Proposition 58 is supported by 52 percent of likely voters. At the same time, among the 61 percent of voters who approve of the way Governor Schwarzenegger is handling his job, 49 percent support the economic recovery bond and 31 percent oppose it. Of the 65 percent of likely voters who know that the Governor supports the bond, 44 percent support it, while 41 percent are opposed. The results suggest that fiscal concerns may be overriding other considerations for voters, since according to the PPIC Statewide Survey Director Mark Baldassare, "people have real misgivings about doing anything that will put the state further into debt." With respect to Proposition 55, 49 percent of potential voters support it, 36 percent are opposed, and 15 percent remain undecided.

The poll results also indicate the following findings:

- 56 percent of California's likely voters place John Kerry first among Democratic presidential candidates, with Howard Dean in second place (31 percent) and John Edwards in third (10 percent); 12 percent of voters are undecided. Were an election held at this point, a Democratic nominee would get more votes (54 percent) than President George W. Bush (37 percent), according to the poll.
- Also, the poll found that the President's approval ratings continue to decline in California: 56 percent of likely voters now say they disapprove of the way he is handling the job, while 43 percent say they approve. Approval of the federal government has also taken a downturn, with only 30 percent of Californian's polled saying they trust the U.S. government to do what is right just about always or most of the time.
- The poll found that Senator Barbara Boxer's lead in the Senate race has increased since its last poll in January. It is now 53 percent to 36 percent over a Republican challenger; among the Republican candidates Bill Jones remains the frontrunner, with the support of 24 percent.
- Majorities of likely California voters approve of the way Senators Barbara Boxer (52 percent) and Dianne Feinstein (57 percent) are doing their jobs.
- Among likely voters, 3 in 10 Californians rate the job performance of the U.S. Congress (though not individual members) as good or excellent; 71 percent rate Congress as doing only a fair or poor job.

For more information about the survey, visit the PPIC website at: http://www.ppic.org .

HOUSE SCIENCE COMMITTEE REVIEWS PRESIDENT'S SPACE INITIATIVE

On Thursday, February 12th, 2004, the House Science Committee held a hearing on the President's proposed space exploration initiative, which was announced January 14. The panel heard testimony from Sean O'Keefe, Administrator of the National Aeronautics and Space Administration (NASA), and Dr. John Marburger, Director of the White House Office of Science and Technology Policy (OSTP).

Much of the committee discussion centered around cost issues, and whether long-term cost estimates for the agency and the changes proposed for it are actually realistic. In his opening statement, Space and Aeronautics Subcommittee Chairman Dana Rohrabacher (Huntington Beach) noted, "The successful development of new space industries will undoubtedly hinge on expanding market opportunities. The new space exploration mandate calls for promoting commercial space, but NASA is unclear how private space ventures will support missions to low Earth orbit. NASA must make clear how its long-term investments in future exploration activities support an intelligent combination of focused manned missions, robotic exploration, and private-sector initiatives." Rohrabacher also commented that, "We've asked for many years for a vision from the White House, and now we have one," adding, "I expect the President to cannibalize funds from other programs. That's what we need to do." In conclusion, he said that "the private sector's innovative approaches are at least as important as the government's," and he noted that the agency and its colleagues need to show that industry can make a profit in the field in order to encourage private sector participation.

In addition to issues regarding NASA's cost accounting system, Rep. Zoe Lofgren (San Jose) focused on a proposed $90 million reduction in funding for the NASA-Ames research center, and the witnesses promised to research the issue and reply to Lofgren in writing.

Lofgren also asked about NASA's efforts to conduct an assets inventory and whether such an analysis was part of an intention to conduct a closure process similar to that implemented by a BRAC (Base Realignment and Closure) commission. The witnesses replied that there was "no intention at this time" to conduct any facility closures in conjunction with the NASA real property assessments. In closing, Lofgren also noted toxic cleanup issues at Moffett Field, where NASA Ames is located, and commented that there have been insufficient resources for cleanup of closed defense facilities.

Dr. Marburger called the President's plan a "new vision" and pointed out that some of the missions (high power instrumentation, construction of structures on other celestial bodies, etc.) will require capabilities we do not have at the present time. He highlighted the process and science benefits of the proposed Moon mission.

Defending proposed cuts, Marburger commented that the budget retains aeronautics level in the President's 2004 budget and said that the cancellation of the Hubble space telescope mission was related to Shuttle safety concerns. He added, however, that the Hubble had a 15-year intended lifespan, it has been 14 years since the Hubble came on line, and that key science opportunities are in the infrared spectrum, rather than in the optical range in which the Hubble operates.

Endorsing Marburger's comments, O'Keefe repeated that "This is a journey, not a race" and noted that agency reorganization should build on growth from one year to the next. Administrator O'Keefe noted that the President's FY 2005 budget request of $16.2 billion would raise NASA spending by $1 billion above 2004 levels, and that it would anticipate an increase of approximately 5 percent per year over each of the next 3 years and approximately 1 percent for each of the following 2 years.

O'Keefe stated that the goals for the agency are to: implement a sustained and affordable human and robotic program to explore the Solar System and beyond; extend human presence across the Solar System, starting with a human return to the Moon by the year 2020, in preparation for human exploration of Mars and other destinations; develop the innovative technologies, knowledge, and infrastructures both to explore and to support decisions about destinations for future human exploration; and promote international and commercial participation in exploration to further U.S. scientific, security, and economic interests.

O'Keefe indicated NASA's desire to return the Space Shuttle to flight as soon as practical, adding that the budget includes $4.3 billion for the Shuttle, (9 percent above FY 2004's level), which includes $238 million for Return to Flight (RTF) activities in FY 2005. The Shuttle would focus on finishing assembly of the International Space Station (ISS), after which time it would be phased out, presumably by the end of the decade. The agency hopes to complete assembly of the ISS by the end of the decade, "including those U.S. components that will ensure our capability to conduct research in support of the new U.S. space exploration goals and those planned and provided by foreign partners." The budget would include $1.9 billion for ISS assembly and operations, a 24 percent increase above FY 2004.

O'Keefe said that NASA would determine over the next year how best to address a Shuttle replacement "within the next year." In addition, the budget proposes $428 million to begin a new Crew Exploration Vehicle (Project Constellation) that will provide crew transport for exploration missions beyond low-Earth orbit, anticipating concept studies in FY 2004, preliminary design in FY 2005 and FY 2006, unpiloted test flight as early as 2008, and an operational human-rated capability no later than 2014. Though unclear at this time, he suggested that Project Constellation could be used to provide transportation to the Space Station, though its design will be driven by exploration requirements. He stated, "NASA does not plan to pursue new Earth-to-orbit transportation capabilities, except where necessary to support unique exploration needs, such as a heavy lift vehicle.

The budget discontinues the Space Launch Initiative, although O'Keefe added that "knowledge gained on the Orbital Space Plane will be transferred to Project Constellation." The proposed SLI termination caused some concern among observers.

Resisting efforts to put a precise price tag on costs to develop a CEV, O'Keefe suggested that NASA planned to use a "spiral development method," whereby one phase would be completed and proven before a new round of decisions and funding would be committed.

Asked what items in exploration initiatives are likely to cost more than budgeted, O'Keefe responded that there is no way to know for sure but that power and propulsion systems may be the area where the cost uncertainty is greatest. He noted that they expect Project Prometheus to "allow us to propel anywhere." The hearing included heated exchanges between witnesses and members regarding cost estimates or their absence.

During questioning, Chairman Rohrabacher inquired whether a new heavy-lift approach might be needed, to which O'Keefe responded "not necessarily." He also asked whether it may be unrealistic to expect that a single vehicle could be used for both a lunar mission and a Mars mission.

HOOVER INSTITUTION RELEASES IMMIGRATION REPORT

The Hoover Institution recently released a report entitled, *"Making and Remaking America, Immigration into the United States,"* authored by Philip Martin and Peter Duignan. Dr. Martin is professor of agricultural and resource economics at the Univ. of California, Davis, and Chair of the University of California's Comparative Immigration and Integration Program; and Mr. Duignan is the Lillick Curator and senior fellow emeritus at the Hoover Institution.

The report posits that the United States must "respond to three fundamental immigration questions: how many immigrants should be admitted; from where and in what status should they arrive; and how should the rules governing the system be enforced?" The report argues that the immigration policies of the 1980s and 1990s to impose employer sanctions for hiring illegal immigrants actually allowed more foreigners to arrive legally and illegally, rather than slow illegal immigration. It also contents that anti-terrorism measures undertaken in the wake of September 11, 2001 have also not slowed immigration to the U.S.

After analyzing the demographics of the United States, the economic shift occurring in employment from unskilled to skilled jobs, and the integration of immigrants, the authors conclude that there is no clear winner between those who argue against all future immigration and those who argue to allow free immigrant flows. Instead, they posit that immigration should policy should shift from allowing in unskilled workers to emphasizing skilled worker immigration. In conjunction with that position, the authors argue against family reunification beyond nuclear families (i.e., father, mother, children), stating that "[r]euniting families (other than nuclear members) is not a sufficient reason to burden the U.S. economy and welfare system with elderly, unskilled, semiliterate, non-English speakers."

The authors also call for a limit on the number of immigrants admitted annually to two per thousand of the population, and suggest that no more than about 10 percent of immigrants should be allowed in from any one country in every single year. They also conclude that "[a]mnesties for illegal immigrants need to be halted to make clear that this is no a viable route to U.S. citizenship."

The Hoover Institution at Stanford University is a center for advanced study in domestic and international affairs. Founded by Herbert Hoover in 1919, it contains a large private archive and library on political, economic, and social change in the twentieth century.