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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.*

### SENATE PASSES CALFED REAUTHORIZATION BILL

After four years of negotiations and several ill-fated attempts, the Senate on Wednesday, September 15, passed S. 1097 to reauthorize the CALFED Bay-Delta program. The state-federal water restoration project will implement a multi-year plan for restoration of the Sacramento-San Joaquin Bay Delta ecosystem, as well as provide improvements in statewide water supply, flood control and water quality. The original authorization of the program expired in 2000, and in recent years that lapse has prevented federal funds from being appropriated to the project.

The approved bill, sponsored by Senators Dianne Feinstein and Barbara Boxer, represents a compromise worked out between the Senators and House Resources Committee Chair Richard Pombo (Tracy), Water and Power Subcommittee Chair Ken Calvert (Corona), and Subcommittee Ranking Member Grace Napolitano (Norwalk). The House passed its version of the bill, H.R. 2828, on July 9. Rep. Ken Calvert introduced that bill, with Rep. Napolitano and 23 other members of the California congressional delegation as co-sponsors. With the 108th Congress quickly coming to a close, it is hoped that the House will accept the Senate's version and send it to the President for signature.

Major provisions in the Senate bill include:

- authorizes \$395 million in new California water projects from FY2005-FY2010, with a federal cost share limited to one-third for all projects;
- requires the Secretary of the Interior, the Governor, and the California Bay-Delta Authority to annually review whether the program's implementation is proceeding in a "balanced" manner between water supply and environmental restoration projects.
- authorizes planning and feasibility studies for four water storage projects -- Shasta Dam, Los Vaqueros Reservoir, Sites Reservoir, and Upper San Joaquin River storage. If Congress fails to authorize construction of a water storage project after its feasibility study has been approved by Interior, then the Secretary must find the program in imbalance and take measures to rebalance the program.
- authorizes the Environmental Water Account (EWA), which provides water to ensure fishery protection while protecting agricultural

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water needs. The bill authorizes the use of a limited portion of the Central Valley Project Improvement Act Restoration Fund to pay for the federal users' share of the EWA. Payments can not be taken from Restoration Fund programs regarding fish and wildlife refuges and most habit restoration efforts.

The Senate bill dropped a House provision to automatically authorized construction of some proposed water projects approved by the Administration unless Congress took specific action to prohibit them.

On passage of the bill, Senator Feinstein said: "Passage of this legislation was a long-time coming and it is the result of hard work to reach a bipartisan consensus involving a wide range of stakeholders." Senator Boxer noted: "This legislation provides a carefully crafted, balanced approach for meeting water supply needs, improving water quality, and environmental restoration. Thus, the bill would protect the fragile Bay-Delta region, while addressing the entire state's water needs in a comprehensive manner.

## **SENATE COMPLETES ACTION ON HOMELAND SECURITY APPROPRIATIONS**

By a vote of 93-0 on September 14, 2004, the Senate completed action on H.R. 4567, the \$33.8 billion Homeland Security Appropriations Act for FY 2005. The final bill included \$687 million more than the version approved by the House on June 18, but a quick conference could result in a second appropriations bill (Defense being the first) to be completed before the October 1 start of the fiscal year. A few contentious differences may slow that process, however.

As was the case during earlier floor consideration the previous week (*see [Bulletin, Vol. 11, No. 27 \(9/10/2004\)](#)*), Senate Democrats made various unsuccessful attempts to add additional funding to the bill. In the end, however, during debate the Senate approved \$3 billion in emergency crop support appropriations for farm states, and the Senate bill includes a controversial provision limiting use of outsourcing by the Department of Homeland Security.

Both the House and Senate appropriations bills would make significant changes to the pots of homeland security funds flowing to state and local governments. By increasing funding for urban area discretionary grants and reducing formula grants, California's share of the nation's homeland security grant spending may rise somewhat. The Senate bill proposes \$1.55 billion -- approximately \$700 million less than in FY2004 -- for grants to State and local first responders that are distributed via a widely criticized USA Patriot Act formula that favors small states over large states (California received \$5 per capita in 2004, compared to \$38 per capita for Wyoming). Meanwhile, the Senate bill would increase funding -- from \$725 million in 2004 to \$1.2 billion in 2005 -- for grants for high-threat urban areas. Last year, California received 8 percent of formula grants, but 20 percent of urban area grants.

During debate on September 14, the Senate voted 44-50 to rejected an amendment by Sen. Hillary Rodham Clinton (NY) to add \$625 million for urban area grants, and rejected another Clinton amendment (tabled on a 54-39 vote) that would have changed the basic grant formula to reduce the advantage of small states. It also rejected, 43-51, a Sen. Charles Schumer (NY) amendment to add \$350 million for railroad security, and a second Schumer amendment (44-49) regarding biometrics and identification standards. The Senate did agree to add \$75 million to the Transportation Security Administration's account for automated baggage screening enhancements, as well as \$100 million for the Assistance to Firefighters Grant Program.

For more information on homeland security grant programs, see "Federal Formula Grants and California: Homeland Security" -- one of a series of joint publications by the Public Policy Institute of California (PPIC) and the California Institute for Federal Policy Research reviewing formula programs and the state's share of federal funds, available at: <http://www.ppic.org/main/publication.asp?i=481> .

## **SENATE COMMITTEE REPORTS COMMERCE, JUSTICE, STATE APPROPRIATIONS**

The Senate Appropriations Committee voted 29-0 on Wednesday, September 15th to approve its FY05 Appropriations for the Departments of Commerce, Justice, State, the Judiciary and Related Agencies. The \$40.5 billion bill contains \$39.8 billion in discretionary funding; it is \$2.3 billion above the FY04 funding level and \$239 million above the President's budget request.

Justice Department operations and programs would receive \$20.4 billion under the bill. That is approximately midway between the Administration's request of \$20 billion and the House funding level of \$20.8 billion. The bill provides \$2.58 billion for State and local law enforcement programs: \$125.4 million below the FY04 level and \$812.4 million above the Administration's request. The Committee refused to merge the Edward Byrne Grant Program and the Local Law Enforcement Block Grant program, as proposed by the Administration for the last couple of years. The Committee report notes the Committee's concern at merging the two programs at a "significantly reduced" funding level.

The bill provides \$250 million for the State Criminal Alien Assistance Program (SCAAP). SCAAP partially reimburses state and local governments for the costs of incarcerating undocumented criminal aliens. The House bill provides \$325 million, which is about the funding level for FY2004. The President recommended zero-funding the program. California receives about 40 percent of SCAAP funding; in FY2003, it received \$95.3 million of the \$265 million funded.

The Department of Commerce would receive \$6.9 billion under the bill. The National Oceanic and Atmospheric Administration would get a significant boost in funding over that requested by the Administration or approved by the House. The Senate figure of \$4.1 billion is \$440.8 million above the FY04 level and \$768.3 million above the request.

For further information on the appropriations, visit the Committee's website at: <http://appropriations.senate.gov> . The California Institute will prepare a detailed analysis of the California implications of the bill that will be available in the coming weeks.

## **SENATE TRANSPORTATION SPENDING PROPOSAL CLEARS FULL COMMITTEE, CONFERENCE AUTHORIZATION BILL SHOWING SIGNS OF LIFE**

The Senate Appropriations Committee approved a \$90.5 billion FY 2005 Transportation, Treasury, and General Government spending plan by voice vote on September 14, 2004. The Senate bill (S. 2806) appropriates slightly more funding for highway programs, the national passenger railroad system (Amtrak), and transit than does its House counterpart (HR 5025) .

The Senate spending measure assigns \$13.913 billion to fund Federal Aviation Administration (FAA) activities, a cut of \$102 million from the 2004 enacted amount. Meanwhile highway programs are boosted from \$34.6 billion included in the 2004 Omnibus Appropriations bill to \$35.8 billion in obligation limitations in the Senate bill.

Once again, Senate appropriators attached a more generous funding level to Federal Railroad Administration (FRA) programs than the House spending plan, providing \$1.437 billion in total FRA funds and awarding the troubled Amtrak rail service \$1.217 billion in support, the same funding level as FY 2004. The House Appropriations committee approved a bill earlier recommending \$900 million for Amtrak, the same amount requested in the Administration's Budget plan. Both House and Senate bills include a number of provisions to improve Amtrak's precarious financing situation and to step up agency accountability and federal oversight of the rail system's spending activities.

S. 2806 sets FY 2005 Federal Transit Administration (FTA) funding at \$7.758 billion, \$492 million above the prior year's appropriation and the House appropriations spending plan. The Senate plan also sets aside over \$900 million for traffic and commercial truck safety programs.

Meanwhile, floor debate over the House's \$89.8 billion Transportation-Treasury appropriations plan failed to produce a bill, as discussions digressed into hours long disagreements between House appropriations leaders and members of the Transportation authorizing committee.

Because no agreement was reached on rules of debate prior to the bill's floor consideration, the bill was left wide open to procedural attacks that would normally be blocked by the House's presiding officer. Consequently, members freely used points of order to amend the bill and to strike provisions they disliked. Many of these procedures were conducted by House appropriations leaders who moved to gut funding for highways, transit and traffic safety programs, against the wishes of other members of their party. Finance turf

battles between transportation appropriators and authorizers have persisted ever since the establishment of “firewalls” in the now expired transportation law known as the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21). Appropriators unhappy at the firewall’s power to prohibit them from reprogramming certain discretionary funds, stressed TEA-21’s expiration as justification for the termination of some program funds. Authorizers retaliated by striking what they considered improper policy instructions, such as airport safety inspections and environmental regulations. Such commands, they argued, were reserved for the policy committee’s consideration and therefore did not have a place in appropriations bill language.

The chief appropriator shepherding the bill, Ernest Istook (OK), pledged to correct the “messy” floor process noting that, “when ultimately the Senate produces the House-Senate conference report, we’re going to take care of those things.” House debate has now been pushed back to next week.

Congress has been unable to approve a long term highways and transit law to succeed TEA-21. Instead it has acted to maintain surface transportation programs through the passage of a series of temporary funding measures while House and Senate conferees complete work on a final bill. The latest temporary extension of transportation programs expires at the end of September 2004.

Conference negotiators have held three meetings, agreeing on a number of minor policy issues and technical questions so far, though the bill remains stalled because of a lack of consensus on overall program funding levels, and state equity concerns. Conference committee Chair Sen. James Inhofe (OK) submitted a \$301 billion funding proposal that split the difference between the Senate passed level of \$318 billion over six years (the Safe, Accountable, Flexible, and Efficient Transportation Equity Act–SAFETEA) and the House reported \$283 billion plan (the Transportation Equity Act: A Legacy for Users–TEALU). House conferees led by Reps. Don Young (AK) and Bill Thomas (Bakersfield) offered a counterproposal of \$299 billion in response shortly before the summer recess. Senate and House staff are still examining the details of the proposal.

Another major sticking point holding the bill up is the donor-donee issue. Many members from donor states have expressed concern that their states send too much more in gas tax revenue to Washington than they receive back in highways spending. TEA-21 guaranteed a minimum 90.5 percent rate of return to states for each dollar they send to the Highway Trust Fund (HTF), however, a coalition of donor states led by Rep. Tom Delay (TX) is pushing for a minimum 95 percent minimum guarantee to be included in the new authorization bill.

The notion of a multiyear authorization being approved before the October deadline continued to lose traction earlier this week when no further conference meetings were scheduled. However, some are speculating that conference committee members are close to striking a deal. House leaders are reported to be making progress on the minimum guarantee issue by advancing a plan that would award states an “equity bonus” rather than a fixed minimum percentage return on state HTF investments. On September 15 a spokesman from the House Majority Leader’s office reported that the chances of completing a bill before Congress adjourns in October are “very likely”.

The Institute will post a detailed analysis of the Senate appropriations bill’s California implications, once the Senate Appropriation’s committee report is available. (An analysis of the fiscal year 2005 House Transportation-Treasury appropriations bill (HR 5025) is available at <http://www.calinst.org/publications.htm>.) To view highlights of S.2806, visit the Senate Appropriations Committee website at: <http://appropriations.senate.gov/releases/record.cfm?id=226126>

## **CALIFORNIA MISSIONS PRESERVATION ACT REPORTED OUT OF SENATE COMMITTEE**

On Wednesday, September 15, the Senate Committee on Energy & Natural Resources amended and favorably reported the “California Missions Preservation Act” (H.R. 1446), paving the way for \$10 million in grant funding over the next five years to repair and restore 21 historic Spanish missions throughout California. Rather than reporting Sen. Barbara Boxer’s bill (S. 1306), the Committee chose to amend the House’s version of the bill, sponsored by Rep. David Dreier (San Dimas). The amendment to the bill in the form of a substitute

made “substantive changes...to address criteria for qualifying for grants and separation of church and state,” requiring that grant funds only be available to missions listed on the National Register of Historic places and that the Secretary of the Interior and the U.S. Attorney General “review and determine that the proposed actions do not violate the separation of Church provision in the first amendment of the Constitution.” Because all of the missions are still owned by the Catholic Church and many still function as religious institutions, the bill specifies that monies may only be used for secular purposes, may not promote religion, and must “protect those qualities that are historically significant.” The bill also requires the California Mission Foundation, the non-profit organization responsible for maintaining the missions, to match all federal grants on a dollar-for-dollar basis.

The 21 missions specifically identified in the bill stretch from San Diego to San Francisco and formed the backbone of Spanish influence in California from the late 1700s into the 1800s. The missions, which according to the bill “contribute greatly to the rich historical, cultural, and architectural history of California and the American West,” receive over five million visitors per year. Time, poor construction, usage, and mother nature have made maintaining the facilities a difficult task, as earthquakes jarred foundations and insects ate away at wood beams. The California Mission Foundation eventually hopes to raise a total of \$50 million for restoration purposes, which includes efforts to repair the buildings and protect valuable artwork and sculptures on the mission grounds.

It is expected that the bill will face few problems in conference and will pass before Congress adjourns for the election recess.

For the text of the bill, visit the THOMAS website, a service of the Library of Congress, at <http://thomas.loc.gov/>, or visit the Senate Committee website at <http://energy.senate.gov/>.

## **SENATE APPROPRIATIONS COMMITTEE REPORTS FY2005 LABOR-HHS-EDUCATION APPROPRIATIONS BILL, INCLUDES EDUCATION BOOSTS AND TITLE I HOLD HARMLESS**

On September 15, 2004, the Senate Committee on Appropriations favorably reported the fiscal year 2005 Labor, Health and Human Services, Education, and Related Agencies Appropriation bill (S. 2810). Overall, the bill appropriates \$494.2 billion dollars, of which \$142.3 billion is discretionary spending, for the three Departments and over 300 programs and related agencies. The bill represents a \$14 billion increase over fiscal year 2004 adjusted spending amounts for the covered agencies and is \$3.3 billion over the President’s fiscal year 2005 budget request.

The bill’s most dramatic increases in spending are found in its education appropriations. The collective programs that comprise the No Child Left Behind Act received \$25.3 billion, marking an increase of almost \$8 billion dollars in funding to the related programs since the Act passed in 2001. The education programs experiencing the greatest funding windfalls were Title I, which garnered a \$1.2 billion increase in funding to \$13.5 billion, Special Education Grants, which received a \$1.2 billion increase to \$11.2 billion dollars, and Math and Science Partnerships and the National Writing Project, which both received 34.1% increases in funding to \$200 million and \$24 million respectively. The Senate bill restores a number of programs eliminated in the President’s budget request, including Elementary School Counselors (\$36 million), Smaller Learning Communities (\$174 million), and alcohol abuse reduction (\$35 million).

The Title I increases would again come primarily in the targeted grant and Education Finance Incentive Grant (EFIG) programs (with the Senate urging the largest increase for EFIG, which yields the lowest percentage return to California). The Title I provisions include a “100% hold harmless” provision for the basic grant program. The Senate bill would provide a small increase for Title I basic grants, all of which would be used to compensate only school districts in states that were to lose federal formula funding because of relative decreases in counts of poor children. (Title I is in part based on census data for school age children living below the poverty line, and increasing child poverty in states with above-average child poverty growth such as California, New York, Illinois, Nevada, and Florida would normally result in greater formula funding. A 100% hold harmless prevents dollars from flowing as the formula intends.) In the past, California’s share of Title I

funds had been reduced by the fact that the Census Bureau collected poverty data only updated every 10 years. (For example, 1992 Title I funding was based on 1980 census numbers for poverty, and California had experienced 60 percent of the nation's increase in poor children during the 1980s.) A partial remedy was devised during the 1994 rewrite of the Elementary and Secondary Education Act, when Californians successfully pushed to require updating between censuses, and revised data was first used to distribute 1998 funds. However, Senators from states that would have received less money (because their poverty child counts had not increased as rapidly as other states) blocked much of the funding shifts during the late 1990s by employing a "100% special hold harmless" provision. By ensuring that no state lose any funds, the 100% hold harmless prevented school districts in growth states from receiving need-related increases. For general information regarding the effect on California of hold harmless proposals in the past, see Federal Formula Grants and California: California's Share of Formula Grants, 1991-2001, prepared as part of a joint venture between the Public Policy Institute of California (PPIC) and the California Institute, available from PPIC at <http://www.ppic.org/main/publication.asp?i=470> .

For the Health and Human Services Department, the department with the largest non-defense discretionary budget in the government, the Senate bill contains a number of interesting changes. The bill provides significant increases in funding to: Community Health Centers, to which the Committee appropriated \$1.9 billion for an increase of \$250 million over FY04; Family Planning programs, which received \$308 million for an increase of \$30 million over FY04; and abstinence education programs, which received a \$36 million increase to \$136 million. The bill appropriates \$6.9 billion to Head Start, a \$160 million increase, \$4.8 billion to the Centers for Disease Control, a \$228 million increase, and \$28.9 billion to the National Institutes for Health, a \$1.1 billion increase.

The Labor Department appropriations were level for most programs, with only the ex-offender re-integration and re-entry program experiencing a marked increase in funding (a \$40 million increase to \$90 million total.) The Migrant and Seasonal Farmworker program, which is particularly important to California, received level funding at \$77 million.

The Senate Committee on Appropriations' report for the bill can be found online at <http://thomas.loc.gov/home/approp/app05.html>. A more detailed analysis of the bill's effects on California produced by The California Institute will be available in the near future. The California Institute has prepared an analysis of the fiscal year 2005 House Labor-HHS-Education appropriations bill (HR 5006) , which is available at <http://www.calinst.org/publications.htm> .

## **HOUSE RESOURCES COMMITTEE REPORTS THREE CALIFORNIA-RELATED BILLS**

On Wednesday, September 15, 2004, the House Resources Committee, chaired by Rep. Richard Pombo (Tracy), favorably reported by unanimous consent 26 bills to the House, concerning resources throughout the nation, including three bills affecting local projects in California.

H.R. 4389, a bill to "authorize the secretary of the Interior to construct facilities to provide water for irrigation, municipal, domestic, military, and other uses from the Santa Margarita River, California" in San Diego County, was reported favorably by unanimous consent without amendment by the Committee. The bill, introduced by Rep. Darrell Issa (Temecula), authorizes the Fallbrook Public Utility District in San Diego County to begin construction on water facilities along the Santa Margarita River once a number of criteria, including the repayment of federal monies used in feasibility studies, the procurement of necessary water use permits, and an agreement to share a portion of the water with the Navy, have been satisfied. According to a press release by the Fallbrook Public Utility District, the passage of the bill would allow the District to increase sorely needed drinking water supplies in the water starved region; the project could potentially "meet as much as half of FPUD's future needs." The passage of the bill would also end a protracted legal battle between the District and the Federal government over access to the river.

Sponsored by Rep. Lynn Woolsey (Petaluma) and co-sponsored by 30 other California lawmakers (along with 15 others from throughout the country), H.R. 4469 would "authorize appropriations to the Secretary of

the Interior for the restoration of Angel Island Immigration Station” in the San Francisco Bay area. The bill was reported favorably by unanimous consent to the house without amendment. Between 1910 and 1940, Angel Island served as a processing and detention center for hundreds of thousands of immigrants, primarily Asians, who arrived in America at the San Francisco Bay. The restoration project would be coordinated with efforts by the Angel Island Immigration Station Foundation and the California Department of Parks and Recreation to restore the deteriorating facilities and preserve the history of the West’s Ellis Island. The bill specifies that the funds appropriated by the act be used first for restoration of the Immigration Station Hospital on Angel Island.

Finally, HR 4817, sponsored by Rep. Devin Nunes (Pixley), would “facilitate the resolution of a minor boundary encroachment on lands of the Union Pacific Railroad Company in Tipton, California which were originally conveyed by the United States as part of the right-of-way granted for the construction of transcontinental railroads.” H.R. 4817 was favorably reported by unanimous consent.

For more information, visit the House Resources Committee at <http://resourcescommittee.house.gov/> .

## **SENATE COMMITTEE ON APPROPRIATIONS REPORTS FY05 AGRICULTURE-RURAL DEVELOPMENT-FDA APPROPRIATIONS BILL**

On September 14, 2004, the Senate Committee on Appropriations approved the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies spending bill for fiscal year 2005 (S. 2803). The bill’s appropriations total \$84.0 billion, of which \$16.8 billion is designated as discretionary spending. The \$84 billion total is \$2.1 billion less than fiscal year 2004 spending, and \$700 million more than the President’s budget request for fiscal year 2005.

Within the Agriculture Department, the bill increased the budget: for farms loans to \$3.4 billion, a \$116 million increase over FY 04; for Food Safety and Inspection Services to \$824 million, a \$44 million increase from FY04; and, for the Animal Plant and Health Inspection Service to \$792 million, a \$70 million increase over FY04. Within the nation’s agricultural programs, the Committee noted the need to fund several issues of importance to California including pest elimination (red imported fire ant, Tamarix infestations, glassy winged sharpshooter), plant diseases (Sudden Oak Disease Syndrome, Pierce’s Disease), and dramatic crop loss (particularly for avocados). Most of these programs were funded at last year’s levels. Additionally, of the nearly \$12 million devoted to import inspections, \$500,000 was earmarked for California “to enhance inspection and surveillance activities” related to products entering the state. Finally, the bill appropriates continued funding for 12 distinct California research centers that focus on agricultural issues.

The bill appropriates nearly \$1 billion dollars for various conservation programs, of which \$846 million is appropriated to the National Resources Conservation Service.

The bill provides a variety of assistance programs, including \$4.2 billion for rural housing loan authorization, of which \$3.9 billion is appropriated for single family housing direct and guaranteed loans. \$4.9 billion dollars is allocated for rural electric and telecommunication loans, a funding level \$1.8 billion above the Administration’s request. Child nutrition is funded at \$11.3 billion, \$33.6 billion is devoted to the food stamp program, and another \$5.2 billion is appropriated to the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). A total of \$139 million is earmarked for foreign assistance. The Food and Drug Administration (FDA) is funded at \$1.8 billion, \$127 million above FY04 funding.

A member of the Appropriations Committee, Senator Dianne Feinstein expressed praise for a number of California provisions in the bill, including \$23 million for State programs to eradicate the glassy-winged sharpshooter; \$1.8 million for the Center for Exotic Pest Research at UC Riverside; \$1 million for Specialty Crop Technical Export Assistance; \$1.2 million for Sudden Oak Death Disease research; \$2.2 million for a special research grant on Pierce's Disease; \$1.7 million for the CA-NY Viticulture Consortium; and \$425,000 for a Central California ozone study.

For more information, visit <http://appropriations.senate.gov>.

## **SENATE APPROPRIATIONS REPORTS FY05 INTERIOR FUNDING BILL**

On Tuesday, September 14, 2004, the Senate Appropriations Committee favorably reported its FY2005 Appropriations for the Department of the Interior and Related Agencies, S. 2804, by a vote of 29-0. The bill provides \$20.2 billion in FY2005 funding for Interior, the Forest Service, part of the Energy Department, and other agencies. The FY04 funding level was \$20.5 billion, which included \$500 million in FY04 supplemental fire suppression funding that was in the FY05 defense bill. The FY05 bill also includes \$500 million in supplemental fire suppression funding. With the inclusion of that funding, the bill provides a total of \$2.947 billion for wildland fire activities, including \$2.447 billion for wildland fire management activities of the Bureau of Land Management and the Forest Service.

The bill also provides \$552 million from the Land and Water Conservation Fund, including \$217 million for Federal land acquisition, \$76 million for Forest Legacy, and \$94 million for the State Assistance program. Funding for the Bureau of Land Management is set at \$1.766 billion – \$17.1 million below the FY04 enacted level. Of that, \$743 million is for Department of the Interior firefighting activity, including \$204.3 million for Hazardous Fuels Reduction, which is \$20 million over the FY04 enacted level.

The National Park Service is funded at \$2.358 billion – \$99.6 million over the FY04 enacted level, and \$1.308 billion is provided for the U.S. Fish and Wildlife Service, which is equal to the FY04 enacted level.

Payment in Lieu of Taxes (PILT) funds of \$230 million are appropriated, which is \$4 million over the President's request level and \$5.3 million over the FY04 enacted level. U.S. Forest Service funding is set at \$4.27 billion, of which \$76.3 billion is for forest legacy conservation easements – \$12.2 million above the FY04 enacted level.

Senator Dianne Feinstein highlighted several items of particular interest to California, including \$13.5 million for projects authorized by the Lake Tahoe Restoration Act, \$26.4 million for the Quincy Library Group forest management project, \$540,000 for the Don Edwards National Wildlife Refuge; \$1.6 million for Mojave National Preserve land acquisition; \$3.7 million for Sudden Oak Death research, management & control; \$1 million for Santa Rosa & San Jacinto Mountains land acquisition; \$1 million for San Diego National Wildlife Refuge land acquisition; \$500,000 for Pacific Crest National Scenic Trail land acquisition; \$2.8 million for Six Rivers to the Sea; \$2.1 million for coastal watershed preservation at the Point Reyes National Seashore; and \$36 million for the Elk Hills Settlement.

For more information, visit the Committee's website at: <http://appropriations.senate.gov> .

## **HOUSE JUDICIARY SUBCOMMITTEE ENDS IMMIGRANT LOTTERY PROGRAM**

The House Judiciary Subcommittee on Immigration, Border Security and Claims voted 5-3 along party lines to eliminate the State Department's Visa Diversity Lottery program. The vote came Tuesday, September 14, on the bill, H.R. 775. Since 1990, the lottery has granted 50,000 visas annually to persons in countries that the State Department determines are underrepresented among U.S. legal immigrants. Persons awarded the visas usually can only immigrate to the U.S. if they are sponsored by family living in the United States, U.S. employers, or if they are political refugees.

Supporters of the bill argue that the lottery is a national security threat, because the immigrants granted visas are not sufficiently vetted for anti-American sentiments, and that it is also subject to fraud. Opponents, however, argue that the lottery helps build U.S. alliances abroad.

## **SENATE ENERGY PANEL APPROVES HIGH-PERFORMANCE COMPUTING MEASURE**

On Wednesday, September 15, 2004, the Senate approved an amended version of H.R. 4516, which seeks to boost the nation's high-performance computing. The bill parallels a measure approved by the House of Representatives on July 7, 2004.

The bill responds to Congressional concerns that Japan now houses and runs the world's fastest computer, NEC's Earth Simulator. It seeks to return the U.S. to a dominant position in high-end computing by establishing federal facilities for use by academics and federal researchers. H.R. 4516 would authorize \$165

million over three years (\$50 million in 2005, \$55 million in 2006, and \$60 million in 2007) to support the development of computer laboratories via the DOE Office of Science. Other agencies are addressing the issue as well -- the Department of Defense has given grants to IBM, Sun Microsystems, and Cray to develop proposals for a computer that would be manifold stronger than the world's fastest computer.

The fastest computer in the U.S. and second fastest in the world is known as Thunder, built by Intel, and is located at the University of California-managed Lawrence Livermore National Laboratory. The third and fourth fastest, respectively, are ASCI Q, built by Hewlett Packard, at the Los Alamos National Laboratory and "Blue Gene," now located at IBM's Thomas Watson Research Center in New Jersey and Massachusetts. (For Lawrence Livermore Lab, IBM is building a faster though physically more compact supercomputer version, dubbed "Blue Gene/L," which may contend for the top slot when completed in 2005.)

For additional details regarding high-performance computing and related legislation, see [Bulletin, Vol. 11, No. 17 \(5/20/2004\)](#).

## **BUREAU OF LAND MANAGEMENT IDENTIFIES FEDERAL LAND IN CALIFORNIA FOR POTENTIAL WIND POWER**

On September 10<sup>th</sup>, the Federal Bureau of Land Management released a draft report analyzing and supporting the potential use of federal lands for generating wind power in 11 western states, including California. Of the more than 160,000 acres of land identified as "economically viable" for wind power development over the next 20 years, 72,000 acres were found in California, by far the largest area of any state involved in the study. The study did not identify the particular sites within California that would be suitable for development.

The plan advocated in the study could add as much as 1460 MW of yearly wind power production in California by 2025 and envisions a near tripling of California's overall wind power capabilities in the next two decades. (According to the report, 1 MW of power can supply the power needs of 240-300 households per year.) Furthermore, the study expects significant short- and long- term economic benefits for the state resulting from developing federal land for wind power. The draft report predicts that by 2025, wind power construction and operation on federal lands could add more than 3,400 new jobs, generate tens of millions of dollars for the state in tax revenue, and add over \$517 million to the gross state product.

Wind power turbines are favored by environmentalists because they generate few of the environmental problems associated with traditional fossil fuel-based power plants. However, the study carefully lists the potential negative environmental impacts of wind power, which most notably includes the disruption of natural habitats by the wind farms and the danger posed to certain bird species. In particular, the wind power report emphasized the threat to indigenous raptors in California and stressed the importance of reducing the bird fatalities.

According to the California Energy Commission, in 2000 wind power was responsible for 3.6 billion kilowatt-hours of electricity in California, representing 1.27 percent of total power production. Wind power generation is concentrated in three main areas of the state: the Altamont Pass (east of San Francisco), Tehachapi (south east of Bakersfield), and San Geronio (west of Palm Springs). Those three regions are currently responsible for 95 percent of California's wind power.

To view the Bureau of Land Management's Draft Report, visit the Bureau's website at <http://windeis.anl.gov/documents/dpeis/index.cfm>. The draft is open for public comment for 90 days.

## **CALIFORNIA HIGHER EDUCATION RECEIVES MIXED REPORT CARD**

A new report published by the San Jose-based National Center for Public Policy and Higher Education finds California to be among the highest ranked states in the nation in its capacity to provide affordable college education, facilitate student participation, and provide benefits to students. Much room for improvement still exists for the state's college system in the area of student completion rates and college preparedness. National trends featured in the report point to an overall improvement in college bound student achievement, however,

higher education completion rates are lagging and racial, ethnic, income, and geographic disparities are found in student achievement averages.

The biannual report, entitled "Measuring Up 2004", quantitatively tracks a state's college education and training performance across six higher education measurements and includes data comparisons from ten years ago. California's highest grades are awarded in the participation (A), affordability (B), and benefits (A) categories. The report notes that California has the highest grade in affordable higher education access, receives significant social and economic benefits from cultivating a well educated workforce, and is home to the top percentage of working-age adults attending university. California received C grades for its level of college preparation among high school students and for the time it takes for students to complete their college degrees. The report indicated that California experienced a more serious drop in the proportion of high school ninth-graders advancing to college than the national average, lagging behind the national rate 9 percent to 3 percent.

National trends tracked in the report suggest that the establishment of national standards and other K-12 reforms are contributing to better college preparedness for high school graduates. On the other hand the report recorded a lower proportion of students enrolling in college, while degree completion consumes more time now than it did a decade earlier. Established in 1998, the National Center is an independent, non-profit, non-partisan organization that promotes enhancing Americans' opportunities to pursue and achieve a quality higher education. For more information visit [www.highereducation.org](http://www.highereducation.org).

## **PPIC STUDY SHOWS CALIFORNIA IS THE NATION'S LEADER IN LOCAL INITIATIVES**

A new report, "The Local Initiative in California," published by the Public Policy Institute of California (PPIC), finds that "Californians lead the nation in the use of local initiatives" as a means for enacting political reform. Touted as "the most complete evaluation of California's local initiative to date," the report, authored by Tracy Gordon, analyzes the motivation, frequency, and success of the local initiative at all levels of California government.

In a state where all voters "have access to the initiative," according to the report, "Californians are more likely than residents of any other state to exercise this [the initiative] power." As evidence, in the November 2000 election, more local initiatives "relating to growth and development" took place in California than in all of the other states combined. According to the report, use of the initiative is widespread throughout the state; between 1990 and 2000, at least one proposed ballot measure occurred in more than 50% of California cities and 75% of California counties. Gordon found however, that while the average city had 1.2 ballot measures during that period, the vast majority were located in San Francisco and the South Coast region (Los Angeles and San Diego.) San Francisco had the most initiatives of any city in the state during the 1990s, with 57. Because of the concentration of initiatives, the report states "local experience with direct democracy is wide but not deep."

The study also found that local/city issues were significantly more successful than county or state initiatives, both in terms of qualifying for the ballot and passing the vote. According to Gordon, this emanates from the initiatives suitability for addressing local, as opposed to state, issues, and its flexibility for tackling "issues that are not adequately resolved by their elected representatives." Gordon found that the most popular topics for local initiatives were land use, governance, and safety. Interestingly, the study identified that initiatives were most common in "large, growing, and economically diverse cities." According to the study, "cities above 53,000 residents could expect 80 percent more initiatives than cities at or below 7,300 residents, all else being equal." Initiatives tend to be concentrated in cities with a high proportion of registered Democrats and Independents, as opposed to Republicans. Furthermore, "cities with greater income diversity have more initiatives, whereas those with greater racial diversity have fewer citizen measures." While there are statewide complaints that local initiatives favor special interests and lower voter turnout, the study concludes that "there is no evidence that it [the local initiative] leaves the voter worse off."

The full report can be accessed through PPIC's website at: <http://www.ppic.org>.

## **BRIEFING BY CALIFORNIA FOOD & AGRICULTURE SECRETARY TO FOCUS ON SPECIALTY CROPS AND PENDING LEGISLATION**

On Thursday, September 23, 2004, California Grown and the California Institute will sponsor a briefing featuring remarks by A.G. Kawamura, who was appointed in November 2003 by Governor Schwarzenegger to serve as Secretary of the California Department of Food and Agriculture (CDFA). At the lunch briefing, which will take place from 12:30 to 1:30 p.m. in 1302 Longworth House Office Building, the Secretary will discuss the Ose-Dooley legislation focused on the specialty crop industry, as well as emergency agriculture appropriations issues.

Secretary Kawamura is a produce grower and shipper from Orange County, where his family grows strawberries, green beans and other specialty crops. Before his appointment, he was a member of the California State Board of Food and Agriculture and chaired the Agricultural Technical Advisory Committee, which advised USDA on international trade. He held board positions with CDFA's Western Institute for Food Safety and Security, a partnership with U.C. Davis, and with the California Institute for Specialty Crops, a partnership with Cal Poly San Luis Obispo. Secretary Kawamura also served as president of the Orange County Farm Bureau. Our appreciation to John McCamman and Paul Sweet of Fleishman-Hillard for organizing assistance.

More than two dozen California agricultural industries participate in the "California Grown" campaign, a marketing effort to promote products of California's farms, ranches, forests and fisheries. For more information, visit <http://www.californiagrown.org>. To attend the briefing, please reply (acceptances only, thank you) to [michael@calinst.org](mailto:michael@calinst.org) or contact the California Institute at 202-546-3700.