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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.

FEINSTEIN, POMBO, AND SCHWARZENEGGER CALL FOR LEVEE IMPROVEMENTS

In the aftermath of Hurricane Katrina, Sen. Dianne Feinstein and Rep. Richard Pombo (Tracy) wrote a letter to Lt. Gen. Carl A. Strock, Commanding General, U.S. Army Corps of Engineers, urging his commitment to shoring up California levees, especially those in the Sacramento-San Joaquin Delta.

The letter points out that “U.C. Davis Professor Jeffrey Mount has estimated that if we don’t take effective action, there is a 2-in-3 chance that a major storm or earthquake will cause widespread levee collapse in the next 50 years,” in the Sacramento-San Joaquin Delta. Noting the passage of the \$90 million CALFED authorization last year, Sen. Feinstein and Rep. Pombo asked General Strock to inform them of how much of the levee problem would be addressed if the entire \$90 million were appropriated.

Governor Arnold Schwarzenegger wrote a letter to Sen. Feinstein and Rep. Pombo on September 14, noting that in California the two most critical levee issues are associated with the federal project levees on the Sacramento and San Joaquin Rivers, and the local levees in the Sacramento-San Joaquin Delta. He pointed out that New Orleans had a 250-year level of flood protection, while Sacramento only has a bout a 100-year level of protection, and that there are “over 700 miles of structurally questionable local levees” in the Delta. The Governor’s letter listed 12 Corps of Engineer California projects of the highest priority, but noted that there are also many other important Corps projects that require federal funding.

CONTENTS:	
Feinstein, Pombo, And Schwarzenegger Call For Levee Improvements	1
Bipartisan California Delegation Letters Support NIF Construction	1
Senate Considers and Approves Commerce, Justice, State Appropriations	2
President Sends Congress Base Closure Plan	3
House Judiciary Considers Patent Law Reform	3
US-EU Wine Trade Agreement Reached, Deal May Expand U.S. Export Opportunities	4
House May Take Up Head Start Bill Reauthorization Next Week	5
Energy Advocates Give Briefing Regarding Federal LIHEAP Program	6
RAND Researchers Assess California Education Problems and Solutions	7
Census Finds Small Declines in Income and Increases in Poverty and Uninsured For Both U.S. & California	7
Immigrant Children Make Intergenerational Progress in Education, Per PPIC Report	8

BIPARTISAN CALIFORNIA DELEGATION LETTERS SUPPORT NIF CONSTRUCTION

A large, bipartisan majority of the California Congressional Delegation wrote letters this week to the leaders of the House and Senate Appropriations Subcommittees on Energy and Water in support of full funding for construction of the National Ignition Facility (NIF).

The letter, led by Representatives Richard Pombo (Tracy) and Ellen Tauscher (Alamo), as well as delegation leaders David Dreier (San Dimas) and Zoe Lofgren (San Jose), challenged the Senate Appropriations Committee’s efforts to cease funding for construction of the National Ignition Facility (NIF). The letter notes that the facility is already approximately 80 percent complete, and cutting off funds now, “when the program is so close to being completed is a massive waste of taxpayer dollars.”

The California delegation letter also noted that not building NIF would undermine national security, noting that NIF is “the largest single tool in the Stockpile Stewardship Program,” which maintains the nation’s nuclear arsenal and corresponding research in the context of a nuclear test ban treaty.

The letter concluded that “The Senate subcommittee’s action stands in stark contrast to the decisions of the Senate Armed Services, House Armed Services and House Appropriations committees to provide full funding for NIF construction.” The writers note that NIF is on schedule, cost, and performance.

The California letter quotes Ambassador Linton Brooks, the head of President Bush’s National Nuclear Security Administration, who recently stated that “Without NIF and the understanding it will bring, the Stockpile Stewardship Program will not be able to achieve its objectives.” It also cites Secretary of Energy Sam Bodman’s recent testimony before the Senate Armed Services Committee that called NIF “an essential component of the Stockpile Stewardship Program and of a responsive nuclear infrastructure,” and General John Gordon, who said, “Without the NIF, the ability of the weapons laboratories to continue to certify the safety, security, and reliability of the nuclear weapons stockpile into the future, without underground testing is doubtful.” It adds that Ambassador Brooks identified NIF as “one of the best managed projects.”

The letter’s authors note that, since 1997, nearly \$2.8 billion has already been invested in NIF, which is near completion at Lawrence Livermore National Laboratory, and they note that the facility supports more than 1,000 California jobs annually.

NIF will use 192 laser beams to concentrate energy on a single target, leading to opportunities to conduct research, maintain nuclear stock, and experiment regarding potential future energy sources. Even before becoming fully operational, 2004 experiments using just the first four beams of the facility have demonstrated NIF’s potential scientific value, the letter notes, toward its goals of “maintaining the nation’s nuclear deterrent without nuclear testing, advancing research and development of inertial confinement fusion as a clean energy source, and exploring basic science issues, such as materials sciences and astrophysics.”

SENATE CONSIDERS AND APPROVES COMMERCE, JUSTICE, STATE APPROPRIATIONS

The Senate completed consideration of its version of H.R. 2862 making FY2006 Appropriations for the Departments of Commerce and Justice, Science, and Related Agencies. (S.Rpt. 109-88) on Thursday, September 15. The bill was passed by a vote of 91-4. The bill funds the Departments of Commerce and Justice, as well as the Small Business Administration, Federal Communications Commission, Federal Trade Commission, NASA, National Science Foundation, U.S. Trade Representative, and the Securities and Exchange Commission. The total funding in the bill is \$52.3 billion, which is \$342.8 million above the FY2005 funding level, but \$2 billion less than the President’s FY06 budget request. It is also about \$679 million more than the House bill, which was approved on June 16, 2005. The bill also contains \$170 million in funding for the State Criminal Alien Assistance Program (SCAAP). The House bill would fund SCAAP at \$405 million.

Most of the debate and amendments have centered on ways to respond to the Hurricane Katrina disaster. Other amendments that are of particular interest to California, however, include one to increase by \$19.9 million funding for the Methamphetamine Hot Spots Program, which was adopted. The Senate also accepted an amendment, sponsored by Sen. Dianne Feinstein, to make it more difficult for unlawful meth laboratories to obtain pseudoephedrine, an ingredient used in production of the drug. It would require retailers to place products containing pseudoephedrine behind store counters and limit the amount of such products that consumers could buy per month. Retail establishments without pharmacies would still be permitted to sell the medicines, though they would have to abide by new state regulations developed in conjunction with the federal Drug Enforcement Administration. The amendment also includes a provision that would allow states and local governments to create or retain standards that are more stringent than the federal government’s.

The Senate also voted 99-0 to include language in the bill requiring the U.S. Trade Representative to sustain U.S. trade laws that protect against unfair trade practices, such as anti-dumping laws, but allow the Administration to modify their use in response to reciprocal agreements by the U.S. trading partner.

Another amendment, which was defeated by a vote of 68-29, would have eliminated the \$140 million provided in the bill for the Advanced Technology Program, and redirected that funding to the weather service and state and local law enforcement.

PRESIDENT SENDS CONGRESS BASE CLOSURE PLAN

On Thursday, September 15, 2005, President Bush accepted the changes made to his original base closure proposal by a blue-ribbon panel and agreed to forward the plan to Congress for final approval.

In the Spring, the Bush Administration announced plans for the 2005 round of base closures, forwarding its plan to a newly-formed Base Closure and Realignment (BRAC) Commission. The panel spent much of the summer reviewing the Administration plan, making additions, subtractions, and revisions as it saw fit. One week ago, the BRAC Commission forwarded its recommendations to the White House. For more information, see [Bulletin, Vol. 12, No. 23 \(9/9/2005\)](#).

The President had until September 23 to accept or reject the BRAC Commission changes and forward the plan to Congress. The submission to the legislative branch starts a 45-day clock, within which Congress must act to reject the plan or it becomes final.

Press reports indicate that the changes made by the BRAC panel would reduce the savings to be realized from planned closures from \$5.4 billion in the Pentagon's May proposal to \$4.2 as submitted to the President last week. The differences are largely due to the removal from the closure list of several major bases and from differing accounting for savings. The President had recommended 33 major facilities be closed; the BRAC Commission rejected five of those closures in their entirety, and it recommended realignment rather than closure for seven others.

Congressional disapproval resolutions have been introduced in prior BRAC rounds, but none has ever passed Congress. In sharp contrast to recent BRAC rounds, the negative impact of this year's closures are relatively minor for California.

The California Institute has prepared information regarding DoD closure recommendations and the state's BRAC history. This includes special report on the May 13 closure recommendations is available on our website at <http://www.calinst.org/defense/bracMay.htm> . A detailed history of California's experiences in base closures rounds conducted in 1988, 1991, 1993, and 1995, including an outline of 2005 closure round procedures, is available at <http://www.calinst.org/defense/base1a.htm> .

HOUSE JUDICIARY CONSIDERS PATENT LAW REFORM

The House Judiciary Subcommittee on Courts, the Internet, and Intellectual Property held a hearing on Thursday, September 15 to consider reforming the U.S. patent system. The hearing focused on a draft amendment in the nature of a substitute to H.R. 2795, the Patent Act of 2005.

The Subcommittee heard from the following witnesses: Emery Simon, Counsel, The Small Business Software Alliance (BSA); Philip S. Johnson, Chief Patent Counsel, Johnson & Johnson on behalf of the Pharmaceutical Research and Manufacturers of America (PhRMA); Robert B. Chess, Chairman, Nektar Therapeutics on behalf of the Biotechnology Industry Organization (BIO); and, John R. Thomas, Professor, Georgetown University Law Center.

Among other changes, the amendment would establish a post-patent-grant process to provide parties a second chance to challenge the legitimacy of patents. It would also require that the evidentiary standard used to challenge a patent would be by a preponderance of the evidence, the same standard used in granting the patent. A mechanism would also be set up at the Patent and Trademark Office so that examiners could receive prior art information from persons other than the patent applicant. The substitute would also change how damages are calculated in patent infringement cases.

Mr. Simon supported the changes in the substitute stating that BSA believes the post-grant challenge “will mitigate the need for parties to file expensive and disruptive lawsuits,” while the prior art provision would “leverage private-sector resources to provide the examiner with more information upon which to base determinations on the fundamental issue of patentability and will help build a contemporaneous record that reflects the extent of the examination by the examiner.” BSA also supports the changes made to damages calculation. He noted that: “Today, when a small component of a multi-faceted system or product is alleged to infringe a patent, the damage claim often seeks some portion of the value of the product as a whole, or the full scope of the claimed invention, such as a computer, rather than being limited to only the value of the infringing feature or functionality. In practice this means that damages can be calculated as 3 to 5 percent of the value of a \$2,000 computer rather than the value of the item that may be just \$1 or \$2. This often leads to unduly inflated verdicts or settlement demands, and is unworkable when thousands of patents can apply to a product.”

In his testimony, Mr. Chess made several suggestions for improvements that could be made to the patent system. First and foremost, he stated BIO supports the full funding of the PTO and eliminating the diversion of funds away from the PTO to other uses. In terms of the substitute, Mr. Chess commended the subcommittee for making changes to the original bill, including: dropping the provisions that would 1) alter the standard for obtaining a permanent injunction, 2) limit the ability of patent applicants to file continuation applications to obtain appropriate patent protection, and 3) subject a patent holder to multiple challenges after a patent has been issued. He also stated that BIO supported the changes in the substitute that limit the post-grant challenge to only one window of opportunity. The previous provision would have permitted post-grant oppositions to be started at any time in the life of the patent in response to a notice of infringement.

Mr. Johnson allowed that the substitute was an improvement over the prior version of the bill, but noted that PhRMA members were still concerned with several provisions in the substitute. Notably, PhRMA views the venue provisions in the bill as severely restricting where cases may be brought. Johnson stated: “This is particularly significant in situations where the patent owner wishes to sue several companies for infringement in the same jurisdiction, or where substantial evidence and/or witnesses are located in a venue disallowed by the venue provision of the Substitute.” He also voiced concern over the provisions controlling the treatment of plaintiff not-for-profit education institutions.

Testimony of all the witnesses can be obtained through the Committee’s website at:

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

US-EU WINE TRADE AGREEMENT REACHED, DEAL MAY EXPAND U.S. EXPORT OPPORTUNITIES

On Wednesday, September 14, 2005, the United States and European Union reportedly reached agreement on a wine trade dispute over product names and product regulations. The agreement comes at the conclusion of meetings held in Washington DC.

The San Francisco-based Wine Institute published that U.S. Trade Representative Rob Portman has announced the reaching of an agreement with European Community (EC) negotiators on key provisions of wine trade talks that began in 1983. The Wine Institute, whose primarily-Californian members export 95 percent of U.S. wine, issued a letter to James Murphy, Assistant U.S. Trade Representative who led the negotiations on behalf of the U.S. government, acknowledging “outstanding progress on wine trade issues of critical importance to the growth of our industry.”

The agreement addresses key wine trade issues including recognition of winemaking practices, recognition of U.S. place names in Europe and the use of semi-generic names. It is the first phase of a broader agreement intended to promote trade between the United States and the European Community which are major growth markets for one another’s exports.

“The United States has the most open wine market in the world,” said Robert P. ‘Bobby’ Koch, President and CEO of the Wine Institute, “and European winemakers have long enjoyed unfettered access to

U.S. consumers. This agreement promises U.S. wineries a level of certainty that our wines will have long-term access to European markets such as the United Kingdom where consumers have embraced wines from California and other states.”

According to Institute data, total U.S. wine exports reached a record \$736 million in revenues in 2004, with 66 percent (\$487 million) shipped to EU countries, the largest market for American wines.

Among the key provisions of the new agreement of interest to California wine exporters is full recognition of U.S. winemaking practices which previously required renewed approval or “derogations” on a regular basis in order for U.S. producers to ship to Europe. Winemaking practices around the world differ somewhat based on climate, history and culture. Most of the practices covered by this agreement are currently permitted in Europe for wines from countries such as Australia and South Africa that currently have trade agreements with the European Community.

Also of importance to U.S. producers is a provision in the agreement that calls for a new system to recognize U.S. wine place names. While the U.S. has a stringent label approval process through the Department of the Treasury’s Tax and Trade Bureau (TTB) that ensures recognition of foreign names for wines imported here, Europe has no central system to recognize U.S. place names. The agreement calls for the EC to recognize the names of states, AVAs (American Viticultural Areas) and counties with AVAs, thus affording better recognition of names like Napa, Sonoma, and Central Coast for EU consumers.

Finally, the agreement addresses a long-running discussion about the use of place names of concern to some European producers. Names, such as chablis, burgundy, port and champagne, called semi-generics, have been in use on wine labels in the U.S. since the 1800s. U.S. winemakers have been legally permitted to use a group of 16 specific semi-generic terms on labels if accompanied by an adjacent appellation of origin. The new agreement allows for the continued use of these terms on existing brands but not new brands, thereby addressing European concerns without diminishing the rights and investments that current U.S. brand owners have made in these terms over many decades.

HOUSE MAY TAKE UP HEAD START BILL REAUTHORIZATION NEXT WEEK

During the week of September 19, 2005, the House of Representatives is expected to consider H.R. 2123, which would reauthorize the \$6.8 billion Head Start program.

Head Start, a federal program that benefits poor children and their families, has been running on temporary legislation since authorization language expired in 2003. The House Committee on Education and the Workforce had passed the measure on May 18, on an unanimous vote of 48 to 0. The Senate Health, Education, Labor and Pensions (HELP) Committee approved its version of the legislation (with higher authorization levels) in June.

The House full committee version of the bill, which will be considered on the House floor, continues to exclude a White House-sponsored pilot project that would give more power to the states. However, an amendment may be introduced on the floor and become a source of debate over whether to allow faith-based groups receiving Head Start funds to exercise religious preferences in their hiring. The bill proposes \$6.9 billion for fiscal year 2006, and such sums as necessary for 2007 through 2011.

For details regarding the House version of the bill, and action at the committee level, *see [Bulletin, Vol. 12, No. 14 \(5/20/2005\)](#)*.

The Senate version of the bill, S. 1107, proposes changes to the formula that determines Head Start grant amounts to each state. It would update the base minimum amount awarded each state so that it matches how much the state received in total program grants in 2005 (currently the base year is 1998). Possibly of concern to California is a provision eliminating formula language that awards the balance of Head Start grants to a state based on its share of children below age 5 (Head Start’s target population). Senate language would instead award part of a state’s allotment based entirely on the Secretary’s discretion. Nearly two thirds of funds left over after base allotments are calculated would be awarded discretionarily with priority given to states “serving the smallest percentage of eligible children” while the rest would be distributed on a competitive basis, according to Senate language. It is unclear exactly how this formula modification would

affect California's Head Start allotment; however, California, by far, houses the largest number of children in poverty ages 0-4 (13.67%), and has, under the present formula, received a share of Head Start grants that tracks (almost exactly), the state's share of the target population. The House version of the bill does not include such changes.

For state-focused information regarding Head Start, see "Federal Formula Grants and California: Head Start" -- part of a joint publication series from the Public Policy Institute of California (PPIC) and the California Institute -- available at <http://www.ppic.org/main/publication.asp?i=469> .

ENERGY ADVOCATES GIVE BRIEFING REGARDING FEDERAL LIHEAP PROGRAM

A briefing cosponsored by a variety of organizations -- including SDG&E, Southern California Gas, Southern California Edison, PG&E Corporation, Edison Electric Institute, American Public Gas Association, and American Gas Association -- and convened by the California Institute, provided information regarding the federal Low Income Home Energy Assistance Program (LIHEAP) program in California. The event featuring representatives from energy providers and advocacy groups and took place on Friday, September 9, 2005. The briefing marked a stepped up effort by a coalition known as the National Fuel Funds Network to drum up support for increased LIHEAP authorizations. The briefing also showcased the work of the Association of California Community and Energy Services (ACCES) and utility companies to demonstrate how public and private California organizations are effectively directing LIHEAP funds to serve low income families.

The LIHEAP program provides federal assistance to help needy individuals pay for their energy costs. The program, which receives bipartisan support, apportions funds to states using a formula that is weighted to advantage cold states that have heating expenses over hot states such as California. The formula provides California with a modest 4.6 percent of total funds, but trigger language in the authorizing law's formula will begin increasing that share to 6 percent once program authorizations exceed \$1.975 billion. This trigger level has not been achieved in nearly 20 years.

Briefing spokespersons however are engaging in a campaign to persuade California lawmakers to improve overall authorizations for the program rather than to encourage a formula battle that would pit hot states against colder ones. In response to these remarks, however, advocates for the state countered that the California delegation has historically been skeptical of increasing LIHEAP appropriations because of the base formula's strong bias in favor of colder states, adding that as long as the LIHEAP formula remains in tact, members from the delegation may be more likely to support increases in other low income assistance programs that provide more generous California returns.

Eligible California residents are currently underserved by the program according to presenter Mark Wolf of the National Energy Assistance Association. Whereas 17 percent of the national share of eligible persons are served by LIHEAP, only 6 percent of Californians receive funds. In California, 150,000 households benefit in some way from LIHEAP funding, compared to 5 million nationwide. Funds appropriated for the program have remained stagnant over 20 years, he noted, meaning that as energy prices continue to rise (21% in recent years), purchasing power has declined, impacting vulnerable populations that receive services the most. According to Mr. Wolf, certain states are planning to shift LIHEAP from a program that provides grants to emergency assistance. "Current funding levels won't sustain the same level of service," said Mr. Wolf. One speaker from the coalition advocating for LIHEAP stressed that the program "saves lives," although he also noted that extreme heat kills more people than cold, every year.

Bill Parker of ACCES, commented on what local community organizations in California are doing to deliver LIHEAP services. According to Mr. Parker, LIHEAP funds are used and leveraged with other grants to provide energy crisis intervention and weatherization assistance, and LIHEAP covers about 20 percent of household energy costs among beneficiaries.

Representatives from individual utility companies, including PG&E, Southern California Edison, and Sempra Energy, also discussed some company policies and initiatives that have provided added energy assistance to thousands of low income families and have successfully leveraged LIHEAP dollars.

For more information on this briefing and on the LIHEAP program, visit the National Energy Assistance Director's Association (NEADA) at www.neada.org.

RAND RESEARCHERS ASSESS CALIFORNIA EDUCATION PROBLEMS AND SOLUTIONS

On Friday, September 9, 2005, the RAND corporation hosted an Education Roundtable briefing for California delegation staff, to present the findings of two recently published reports on preschool and K-12 education. Presenters concluded that California's education system is low ranked in almost every measurement, and that a public investment in statewide universal preschool education could yield as much as 2 to 4 times as much in savings.

Stephen J. Carroll's report "California's K-12 Public Schools: How Are They Doing?" is an assessment of California school and student performance, compared to other states. The author suggested that California, though a highly touted provider of public education 30 years ago, has since seen reductions in school quality in almost every objective education indicator. School spending, academic achievement, quality of facilities, teacher/pupil ratios, and teacher quality are all lower in California than in most other states, according to Dr. Carroll. California also lags the nation in addressing non-academic concerns that relate to K-12. The teenage pregnancy rate for the state is among the highest in the nation (although it is declining at a faster than average rate), and California high school students are less likely to advance to college.

Not all the news is bad. California's higher than average high school graduation rates provide an indication of some student progress.

Dr. Carroll attributes part of California's slipping performance to the fiscal impact of voter backed initiatives, Proposition 13 and later Proposition 98. After the passage of these initiatives, local capacity to finance education became increasingly limited. In 2000, California's per pupil spending dropped to \$600 below the national average, according to the report.

Lynn Karoly, a senior RAND economist and principle author of a report entitled "The Economics of Investing in Universal Preschool Education in California", talked about her study and the potential gains for California if it were to adopt a quality universal preschool system. The author explained that the study captured economic and indirect non-economic benefits to society and students. The study also assumes that preschool participants will all receive quality, part day care for 4 year-olds, with class maximums of 20.

The report estimates that after taking into account such long term benefits as the reduced likelihood for participants to repeat grades in K-12, experience abuse and neglect, or partake in crime and delinquency, and the increased levels of educational attainment for participating students, that the state would gain \$2.62 for every \$1 spent. The potential benefits, which are largely private ones, would only start outweighing the costs when the child reaches age 14.

Dr. Karoly did not view universal preschool as a panacea to California's K-12 struggles but she did believe that such a policy would contribute to K-12 improvements. She left audience members with a few considerations about program design. According to the presenter, policymakers considering universal care versus targeted care should note that universal preschool would not yield as much in the way of financial benefits as a program that was targeted to the most disadvantaged. Furthermore, cutting costs by hiring less qualified teachers would cause a decline in long term benefits, and a one year program would yield greater benefits than two year programs, according to the presenter.

For more information on the report by Lynn Karoly regarding universal preschool education in California, or to view a copy, visit the RAND website at: <http://www.rand.org/publications/MG/MG349/>. For more information regarding the report entitled "California's K-12 Public Schools: How Are They Doing?" or to view a copy, visit the following RAND link: <http://www.rand.org/publications/MG/MG186/>

CENSUS FINDS SMALL DECLINES IN INCOME AND INCREASES IN POVERTY AND UNINSURED FOR BOTH U.S. & CALIFORNIA

According to recently-released Census data, from 2003 to 2004, real median household incomes declined by a tiny fraction in the U.S. and by slightly more in California. Incomes nationwide slipped 0.2 percent, from \$44,514 to \$44,436, but incomes in California declined by a bit more, from \$50,226 in 2003 to \$49,927 in 2004, a reduction of 0.6 percent.

In addition, the report found that the nation's official poverty rate rose from 12.3 percent in 2003 to 12.6 percent in 2004. The California poverty rate increased from 13.1 percent to 13.2 percent over the same period.

The percentage of the nation's population without health insurance coverage increased a small amount, rising from 15.4 percent in 2003 to 15.7 percent in 2004. (The number of people with health insurance increased by 2 million to 245.3 million between 2003 and 2004, and the number without such coverage rose by 800,000 to 45.8 million.) The report indicated that California's uninsured rate rose from 18.3 percent to 18.5 percent.

(Note that each year actually represents two-year average, to improve statistical reliability; for example, 2003 represents a combination of 2002 and 2003 figures. Also note that the worsening changes in these statistics from one year to the next were so small that they in many cases do not qualify as "statistically significant," i.e., they are considered not actually large enough to draw significant research conclusions based on the results.)

The findings are contained in a report entitled "Income, Poverty, and Health Insurance Coverage in the United States: 2004," which was compiled from data collected in the 2005 Annual Social and Economic Supplement (ASEC) to the Current Population Survey (CPS) and is available on the web at <http://www.census.gov/prod/2005pubs/p60-229.pdf>.

IMMIGRANT CHILDREN MAKE INTERGENERATIONAL PROGRESS IN EDUCATION, PER PPIC REPORT

A new report published by the Public Policy Institute of California (PPIC) finds immigrant groups in California making educational advancements with every generation. Mexican Americans however remain the most likely immigrant group to make lower educational achievements, with only 17 percent of the grandchildren of today's immigrants from Mexico attaining bachelor's degrees, according to the report's authors.

The report entitled "Educational Progress Across Immigrant Generations in California" examines the educational progress of first, second, and third generation immigrant Californians to test and compare levels of educational advancement among immigrant populations intergenerationally.

The authors discovered that across all ethnic groups in the study, consistent educational progress was recorded with the most notable gains made by younger generations. For example, the number of second-generation college graduates is twice as high as the number of first generation graduates, and that trend continues for third generation, albeit at a slower rate (10%).

There is evidence of uneven progress when observing achievements across different immigrant groups. Mexican American immigrant high school and college graduation rates are reported to lag behind those of East and South Asian American immigrant children. According to the report, among third and later generation immigrants from countries such as the Philippines, China, and India, 44 percent achieve bachelor's degrees, compared to 12 percent of third and later generation Mexican American immigrants. The authors suggest that parental education levels influence the degree of advancement among children and that the lag exists because Mexican Americans have the most ground to make up.

In light of the report's results, the authors identify a number of policy opportunities for lawmakers including: targeted mentoring and other educational supports, workplace education programs for immigrants, community college investments (community colleges serve 80 percent of Latino college-goers), and greater access to English language, remedial courses and vocational education to improve workforce training.

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