



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

## *California Capitol Hill Bulletin*

**Volume 12, Bulletin 27 – October 7, 2005**

*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.*

### **ORANGE COUNTY SPECIAL ELECTION FOR 48TH HOUSE DISTRICT SEAT ENDS IN RUNOFF**

Former Congressman Christopher Cox's (Newport Beach) vacancy in the House sparked strong interest by 17 candidates in the special open primary in Orange County's 48<sup>th</sup> district that took place on Tuesday, October 4.

California State Senator John Campbell (Irvine), the frontrunner for the seat, missed a straight-out win by a mere 4%, garnering 46 percent of the vote. An election surprise was lesser known American Independent Jim Gilchrist (founder of the anti-immigration group the Minuteman Project) who captured 14% of the votes, trailing closely the 17% attained by second runner up Marilyn Brewer, former state assemblywoman.

Because none of the 17 candidates succeeded in winning half of the votes, the candidate within each party with the most votes will go on to battle it out in the special general election at the end of the year. John Campbell-R, Jim Gilchrist- I, Steve Young-D, and candidates from the Green and Libertarian parties will round out the special general election roster and face off on December 6<sup>th</sup> for the House seat.

Former Rep. Cox resigned his House seat this summer in order to accept an appointment by President Bush to become Chairman of the Securities and Exchange Commission.

### **SENATORS, NORTHERN CALIFORNIANS SEEK SUPPORT FOR STATE FLOOD PLAN**

A bipartisan group of members of the California Congressional delegation is urging the entire California delegation to get behind a plan to protect California from flooding. Senators Dianne Feinstein and Barbara Boxer and Reps. Wally Herger (Marysville), Dan Lungren (Folsom), Doris Matsui (Sacramento), Mike Thompson (St. Helena) wrote to other members of the California delegation calling for unified support for the \$92.65 million plan.

The plan calls for providing the Sacramento area with 100 year flood protection and preparing for construction work on the Sacramento-San Joaquin Delta levee system. The plan was developed in consultation with Governor Arnold Schwarzenegger, who identified the projects with the highest priority for the state. Those projects and the proposed FY 2006 funding level urged by the group are:

- \$10 million - South Sacramento Streams

#### CONTENTS:

Orange County Special Election for 48th House District Seat Ends In Runoff . . . .	1
Senators, Northern Californians Seek Support For State Flood Plan . . . . .	1
House Approves Homeland Security Appropriations Conference Report Allowing Administration to Allocate a Portion of Formula Funds to States Based on Terror Threat and Risk . . . . .	2
PPIC Expert Discusses Immigrant Education Improvements . . . . .	4
PPIC Research Director to Present Statewide Survey Result at October 11 Luncheon . .	5
October 28 Conference at U.C. Washington Center to Examine Implications of State's Upcoming Special Election . . . . .	5
Appropriations Analyses Available On Institute Website . . . . .	6

- \$20 million - Sacramento River Bank Protection
- \$16 million - American River Common Features
- \$15 million - American River Folsom Dam Raise
- \$9.55 million - American River Folsom Dam Modifications
- \$0.5 million - CALFED 180-day levee report directed in P.L. 108-361
- \$3.0 million - Delta Islands and Levees Feasibility Study to conduct the Delta Risk Management Strategy directed in P.L. 108-361
- \$8.0 million - Levees System Evaluation and FEMA certification process
- \$4.5 million - Natomas Reimbursement to SAFCA
- \$3.3 million - Mid-Valley Levee Reconstruction
- \$1.2 million - Yuba River
- \$0.6 million - Lower Cache Creek
- \$1.0 million - Middle Creek

The letter points out that these projects will be cost-shared by state and local agencies. The letter urges other members of the delegation to support securing funding for this plan on a priority basis in Fiscal Year 2006.

## **HOUSE APPROVES HOMELAND SECURITY APPROPRIATIONS CONFERENCE REPORT ALLOWING ADMINISTRATION TO ALLOCATE A PORTION OF FORMULA FUNDS TO STATES BASED ON TERROR THREAT AND RISK**

By a vote of 347-70 on Thursday, October 6, 2005, the House of Representatives adopted, H.Rept. 109-241, the conference report to accompany H.R. 2360, the bill providing FY 2006 appropriations for the Department of Homeland Security and Related Agencies. The Senate was expected to take up and pass the bill on Friday, October 7.

The bill includes \$30.8 billion for the Department of Homeland Security, an increase of \$1.4 billion from the FY2005 level. In a significant victory for high-risk/high-threat states -- such as California -- the bill appears to give the Department of Homeland Security (DHS) the flexibility to allocate the largest part (60%) of states' formula funding according to risk and terror threat. Whereas DHS will still be required to allocate the first 40% of funds equally among states -- providing small states with another windfall of federal dollars -- the bill differs from prior years' bills in that it does not require the *rest* of the funds be allocated based solely on population.

In fiscal years 2003-2005, the 60 percent of "basic formula" funding that remained (after a 0.75% base minimum was skimmed off equally for each state) has been allocated solely based on population instead be allocated according to risk factors. [Note: Relying on preliminary information from news sources, last week's Bulletin incorrectly stated that DHS would be *required* to allocate the remaining 60% of funds based on risk and threat. In reality, according to the text of the legislation and the conference report, DHS will be *permitted* to do so. However, numerous recent comments by DHS suggest that risk and threat information will likely be used for the allocation.]

The bill will provide \$3.3 billion for grant programs directed toward state and local first responders, including nearly identical amounts from two pots -- \$1.155 billion for risk- and threat-based grants for urban areas, and \$1.135 billion for grants that have historically used a federal funding formula that has been heavily skewed to favor small states over large states (and has provided several-fold more money per capita to numerous small states such as Wyoming, North Dakota and Vermont compared to what it has provided to large states such as California, New York, or Texas).

The \$1.155 billion for "high-density urban areas" includes \$765 million for traditional urban area grants, which DHS distributes according to risk and threat information, plus \$150 million for rail

security, \$175 million for port security, and \$65 million for other infrastructure protection activities. California has received between 17 and 20 percent of urban area grant funds.

The formula funding portion includes \$550 million for basic formula grants, \$400 million for the state and local law enforcement terrorism prevention program (LETPP), and \$185 million for Emergency Management Performance Grants (EMPG). California historically receives about 8 percent of funds from these programs, all of which to date have used the USA PATRIOT Act formula with the unusually large 0.75% state base minimum. Also within the first responder funding account is \$655 million for firefighter grants, a program that in 2003 provided approximately 4 percent of its funding to California recipients and typically benefits rural fire departments.

Most of the bill's funds will be used to provide \$19.1 billion for border protection, immigration enforcement, and related activities. Within that amount is \$1.8 billion for border security and control and to provide an additional 1,000 agents for the Border Patrol (in addition to 500 new agents funded by the FY 2005 supplemental appropriations bill). It also includes \$3.4 billion for Immigration and Customs Enforcement (ICE), in part funding an additional 250 criminal investigators and 100 new immigration agents. Other border/immigration funding items include \$41 million for border security technology, \$139 million for the Container Security Initiative (helping track and monitor cargo containers), \$54.2 million for the Customs-Trade Partnership Against Terrorism (C-TPAT), \$21 million for FAST/SENTRI/NEXUS to "maintain security and facilitate travel on our land borders," \$2.9 billion for the Coast Guard's homeland security activities and \$933 million for the Coast Guard's Deepwater program, \$135 million for transportation and removal of illegal immigrants, and \$5 million to train State and local officers to enforce immigration laws. (Elsewhere, the bill provides \$2.6 billion for traditional Coast Guard operating activities, including maritime safety, drug interdiction, and fisheries, environmental, and humanitarian missions.) In addition, the bill requires that DHS develop and submit "a comprehensive immigration enforcement strategy that reduces the number of undocumented aliens by 10 percent per year" and requires DHS and ICE to develop "a national detention plan for undocumented aliens."

The bill provides \$6.3 billion for the Transportation Security Administration (TSA), including \$2.5 billion for passenger and baggage screeners, \$443 for in-line explosive detection systems, \$1 billion for aviation direction and enforcement, and \$686 million for air marshals. It also provides \$1.9 billion for citizenship and immigration services (including \$1.7 billion in fee-funded activities). Within \$1.5 billion for homeland-related science and technology activities are the following: \$538 million to develop radiological, nuclear, chemical, biological, and high explosives countermeasures; \$110 million for research, development, and testing of antimissile devices for commercial aircraft; \$20 million for container security research; and \$63 million for university-based centers of excellence and fellowships.

Although by their nature, any discretionary funding allocation cannot be pinpointed, the change is likely to yield additional funding for California. The state currently receives 8 percent of state formula funds, a proportion that could increase to a 9, 10, 11 or 12 percent share -- yielding tens of millions of additional dollars for state and local first responders in California. In practice, homeland security formula funds have come from two pots -- 40% is distributed equally to each state, and 60% is distributed via other means (to date, according to state population only). As such, for 2003-2005, California received about 8 percent of total formula funding. The state received 0.8 percent from the one-size-fits-all minimum guarantee portion (or 40% of the pot of money multiplied by the 2% share that every state received) plus 7.2 percent from the population-based portion (or 60% of the pot of money multiplied by the state's 12% share of the U.S. population).

Whereas the 2006 conference report's formula would give California the same 0.8 percent share (40% x 2%) of the "minimum" pot, the state will likely receive a larger share of the remaining funds, if DHS elects to distribute remaining funds in whole or in part according to a federal determination of each

state's risk of terror attack. Thus, supposing the state were to receive between 15 and 20 percent of the "above-minimum" pot of funds, for example, California's share of total formula funds could increase to between 9.8 percent (0.8%, plus 15% x 60%) and 12.8 percent (0.8%, plus 20% x 60%).

Much will also depend on which programs are subjected to the new approach -- the bill includes \$550 million for basic grants, \$400 million for LETPP, and \$185 million for EMPG. For example, a hypothetical "threat share" of 17% for the state would yield an 11% formula share. Applied to just \$550 million (basic grants only), the state would receive an additional \$16.5 million. Applied to \$950 million (the basic grant and the LETPP), that additional amount would total approximately \$28.5 million for the year. And applied to all \$1.1 billion that now depend on the formula, California's share of funds would grow by \$34 million.

For additional information regarding homeland security grants and the share received by California and other states, see "*Federal Formula Grants and California: Homeland Security*" -- part of a joint publication series prepared by the Public Policy Institute of California (PPIC) and the California Institute, at <http://www.ppic.org/main/publication.asp?i=481> .

### **PPIC EXPERT DISCUSSES IMMIGRANT EDUCATION IMPROVEMENTS**

The Public Policy Institute of California (PPIC)'s Deborah Reed presented the results of her latest publication on immigrant educational advancements at a briefing held for Capitol Hill staffers on September 30, 2005. Dr. Reed's results showed positive intergenerational gains among all immigrant groups observed in California. However, Mexican American immigrants are less likely to complete high school, or earn a college degree than other second generation groups, according to the presenter.

Sharing results from her recently published report, "Educational Progress Across Immigrant Generations in California," Dr. Reed, a senior economist at PPIC, noted that the children and grandchildren of Mexican immigrants experience growth in high school and college completion rates compared to first generation immigrants. However, the author noted that educational progress stalls somewhat between second and third generation populations and that differences between the achievement levels of certain groups exists. Dr. Reed reported that the educational gains of second generation Mexican American immigrants lie 20 points behind whites, while third generation groups lag behind by 20 points. African American scores are 15 points behind their white peers. Meanwhile, second generation immigrants of Asian descent scored almost 30 points higher, according to national data set statistics. Social integration seems to contribute to improved educational attainment of immigrant groups. In instances where immigrant children share the same schools and neighborhoods as whites, Dr. Reed showed that Bachelor of Arts completion rates among second and third generation Mexican American immigrants reach near parity.

Even with the educational gains made by immigrants of Mexican descent, education levels for this group are more likely to lag behind those of other groups. This low attainment level is partly attributed to the low school completion rates of Mexican immigrant parents. The same pattern exists for Asian American immigrants, although not as drastically, according to the presenter. Mexican immigrants that arrive in their teens are more likely to value work or raising children over enrollment in US schools. Immigrant children arriving in the US at younger ages are more likely to enroll in and remain in school, according to the presenter.

Dr. Reed emphasized the significance of the California Community College (CCC) system as the principle college education institution for California Latinos. According to enrollment figures, Latinos represent 35 percent of first time college freshmen in California. Consequently, Latinos are under-represented at four year systems where they make up 26 percent of new CSU enrollment and 16 percent of incoming UC students.

In her concluding remarks, Dr. Reed suggested that low education for American born children of immigrants is a significant concern for the labor market. The results of her intergenerational study show that long term benefits are likely to be gained from present day educational investments. The most effective types of educational investment to help low performing immigrant groups, according to Dr. Reed, are programs that fit work and family life and that target youth.

Finally, Dr. Reed's policy suggestions were twofold. First, target at-risk students at early ages to help increase high school and college completion rates, and second, fund community colleges.

This presentation was part of the PPIC Luncheon Series. For more information on this report, or to view a copy of the "Educational Progress Across Immigrant Generations in California," visit the PPIC website at: <http://www.ppic.org/main/publication.asp?i=402> . To view an interview with the author go to: <http://www.ppic.org/main/featured.asp> .

## **PPIC RESEARCH DIRECTOR TO PRESENT STATEWIDE SURVEY RESULT AT OCTOBER 11 LUNCHEON**

On Tuesday, October 11, 2005, Public Policy Institute of California (PPIC) Survey Director and Director of Research Mark Baldassare will be on Capitol Hill to present the results of the latest PPIC Statewide Survey. The statewide survey series captures California public opinion on state and national issues, including the president and the governor's approval ratings, perceptions of the state and national economy, and current attitudes about major issues, such as the government's response to Hurricane Katrina and the rising price of gasoline. Among other topics, the most recent survey data gauge California voters' views regarding several of the ballot measures to be included on the ballot in the upcoming November 8<sup>th</sup> special election.

The PPIC Statewide Survey series on Californians and the Initiative Process, supported with funding from The James Irvine Foundation, provides information on Californians' attitudes toward the citizens' initiative process, their reactions to the special election and its state ballot measures, and the role of government distrust in shaping public opinion about the legislative process, the initiative process, and fiscal and governance reforms. Copies of the report will be available at the event. To view survey results or read related information in advance, visit the PPIC website at:

<http://www.ppic.org/main/publication.asp?i=637>

The briefing will be held on Tuesday, October 11, 2005, from noon to 1:30 p.m., in Room 2168 of the Rayburn House Office Building (better known as the "Gold Room").

To attend the luncheon briefing, please reply (acceptances only, thank you) to Tim Ransdell at [randsell@calinst.org](mailto:randsell@calinst.org) or 202-546-3700.

## **OCTOBER 28 CONFERENCE AT U.C. WASHINGTON CENTER TO EXAMINE IMPLICATIONS OF STATE'S UPCOMING SPECIAL ELECTION**

On Friday, October 28, 2005, at a conference held at the University of California's Washington Center, a variety of policy experts and practitioners will address the national implications of key issues in California's Nov. 8 special election.

During the election, voters will confront a range of concerns from abortion to the state budget, prescription drugs, campaign finance, redistricting, teacher tenure, and electricity regulation. In an effort to put the upcoming election in context, the UC Berkeley Institute of Governmental Studies, the University of California Washington Center, and The James Irvine Foundation are collaborating to produce the event, entitled "Government by the People in California: The Good, the Bad and the Ugly."

Scheduled to begin at 9:15 a.m. on Friday, October 28, 2005, the one-day conference on the Special Election will be free and open to the public. No advance registration required. It will be held at the

University of California Washington Center, 1608 Rhode Island Avenue NW, Washington, D.C. (<http://www.ucdc.edu/> )

Following a welcome by new UCDC Director Bruce Cain, the event will feature several panel discussion sessions.

The first session, entitled "Government by the People: an Overview," will be moderated by Cain and will feature remarks by IGS Associate Director Jack Citrin, columnist and author Peter Schrag, and Susan Pinkus of The Los Angeles Times, as well as discussion by E.J. Dionne of the Brookings Institution. A session called "The Politics: Campaigns, Consultants, and Money" will feature Norman Ornstein of the American Enterprise Institute, Raymond LaRaja of UMass Amherst, and California political consultants Garry South and Ken Khachigian, as well as comments by columnist Dan Weintraub.

Following a luncheon featuring a keynote address, there will be a session entitled "The Policy: Gerrymandered Districts and Budget Deficits" moderated by Jerry Lubenow of IGS and featuring remarks by John Ellwood of Berkeley's Graduate School of Public Policy, Nathaniel Persily, of U Penn's School of Law, and former California State Senate Republican Leader Jim Brulte of California Strategies, and John Decker, Chief Fiscal Advisor to the Appropriations Committee of the California Senate. The session's discussant will be Tom Mann of the Brookings Institution. A final session, entitled "Implications for Governance," will be moderated by Susan Rasky of UC Berkeley's School of Journalism and feature comments by Sherry Bebitch Jeffe of the School of Policy Planning and Development at the University of Southern California, as well as Karl Kurtz of the National Conference of State Legislatures.

#### **APPROPRIATIONS ANALYSES AVAILABLE ON INSTITUTE WEBSITE**

The California Institute has analyzed the California implications of the FY2006 Senate Energy and Water Appropriations and the FY2006 Senate Transportation, Treasury, HUD Appropriations. These reports are available on our website at: <http://www.calinst.org> .