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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.

CAPITOL HILL BRIEFING SUGGESTS ECONOMIC IMPACT OF STATE’S BUSINESS EXODUS IS LIMITED

At a lunch briefing for Congressional staff and others in the California-Washington community on November 3, 2005, the authors of a new Public Policy Institute of California (PPIC) study presented findings regarding California business relocations. The report entitled, “*Are Businesses Fleeing the State? Interstate Business Relocation and Employment Change in California*,” makes the case that the state has experienced an out-migration of businesses over the last 10 years, but the impact of any business relocation loss on the California economy is negligible in relative terms.

Presenter Junfu Zhang, a PPIC Research Fellow, considered charges leveled by various California advocates and officials that California’s business climate contributes to the relocation of businesses to other states and the loss of jobs.

According to Dr. Zhang, limited research in the past has made it difficult to substantiate these claims, partially because no state agency tracks business relocation, and the one study that does exist on the topic ignores certain factors. The authors’ study examined relocation of business as one of three factors that affect the growth and decline of jobs and businesses in the state.

Their study confirmed the notion that more businesses leave the state than enter the state from elsewhere in the country. In every year since 1992, California experienced a net loss in the number of interstate business relocations, with the most departures experienced in 1993 and 1994. However the overall impact of these losses on the economy were described as “trivial” by Zhang. The 750 businesses that left California in the early 1990s, for example, had a 0.05 percent impact on the overall economy when the total number of businesses in California are observed.

Similarly, the impact of job loss on the state’s economy was a similarly negligible 0.1 percent, according to the study’s authors. Over the ten years studied, out-migration was responsible for just 1.6 percent of job losses, compared to the folding of existing businesses (71 percent) and downsizing of existing businesses (27 percent).

The degree of new business creation and the expansion of existing businesses in the state tend to have the most overwhelming

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impact on the economy and job creation. Furthermore, rather than shifting operations across state lines, the authors suggest that most relocating businesses move primarily to other parts of the same city or county of origin, and that the vast majority remain within the state. The presenters proposed that policies promoting business formation and the survival and growth of existing businesses are likely to be most effective in creating and retaining jobs.

The presenters noted that more data is required to be able to judge the health of the entire business climate in California and its impact on relocation. In particular, they noted that these data focused on the actions within California and were not capable of assessing whether a large corporation might contract jobs or business activity within California and simultaneously expand operations in another state.

For the study and an accompanying fact sheet, visit <http://www.ppic.org/main/publication.asp?i=640> .

CALIFORNIA REMEMBERS REP. EDWARD ROYBAL

On Monday, October 31, 2005, a Los Angeles funeral offered friends and admirers to remember long-time Congressman and Latino leader Edward R. Roybal. A 30-year veteran of the House of Representatives serving downtown Los Angeles, Rep. Roybal died on October 24 at age 89 in Pasadena.

After serving 13 years on the Los Angeles City Council, Edward Roybal was elected to the House in 1962, the first California Latino to serve in Congress in the 20th Century. During his Congressional career, he helped form the Congressional Hispanic Caucus and the National Association of Latino Elected and Appointed Officials (NALEO), chaired the Select Committee on Aging, and led the House Appropriations Subcommittee on Commerce, Justice and State.

He retired from Congress in 1992, the year that his daughter, Rep. Lucille Roybal-Allard, was elected to represent downtown Los Angeles. In 2000, Roybal was awarded the Presidential Medal of Freedom, the nation's highest civilian honor.

CEMENT HARDENING FOR 2005 BASE CLOSURE ROUND, DESPITE LEGAL THREATS FROM LOSING STATES

With last week's overwhelming House of Representatives vote not to disapprove the Pentagon's plan for military base closures, the 2005 BRAC round is in essence a fait accompli. But that has not stopped the governors of some of the states most negatively affected by the closures from taking one last run at the process.

This week, the governors of Connecticut (M. Jodi Rell), Illinois (Rod Blagojevich), and Pennsylvania (Ed Rendell) vowed to fight in court to protect the bases in their states from closure. Each state is expected to lose a significant Air National Guard presence and other personnel and facilities under the Department of Defense's military restructuring plan.

Previously, some states had begun legal proceedings to stop the closure process, but the courts preliminarily rejected their pleadings because Congressional activity was still possible. With the House vote on October 27, 2005 (see *Bulletin, Volume 12, No. 29 - 10/28/2005*), the states' claims now become ripe for judicial intervention.

The prospects for the states' efforts, however, are considered questionable. They depend to a large extent on the fact that National Guard units are controlled by governors, at least in times of peace, and that DoD overstepped its bounds in summarily moving the operations without consulting the states.

"METHAMPHETAMINE EPIDEMIC ELIMINATION ACT" PASSES OUT OF HOUSE CRIME, TERRORISM, AND HOMELAND SECURITY SUBCOMMITTEE

On a vote of 8-2 on November 3, 2005, the "Methamphetamine Epidemic Elimination Act," H.R. 3889, favorably passed out of the Crime, Terrorism and Homeland Security Subcommittee of House Judiciary.

Authored by Representative Mark Souder (IN), the Act would further regulate and punish illicit conduct relating to methamphetamine (including making or trafficking it), and for other purposes.

Specifically, the bill would curb the production of methamphetamine by making it harder for illicit labs to buy pseudoephedrine, which is in many over-the-counter cold medicines. Also, H.R. 3889 would set quotas on pseudoephedrine's import and production and require importers to provide notice of who is receiving their shipments. Moreover, it would toughen penalties for producing and trafficking methamphetamine and its precursors, and would treat methamphetamine labs as hazardous waste sites.

With regard to penalty, for a person trafficking the drug, the amount of methamphetamine required for the mandatory minimum sentencing would be lowered from 50 grams to 5 grams of pure methamphetamine. Under current policies, a person caught trafficking that amount would serve at least 10 years in prison for a first offense. The bill would not require stores to keep drugs containing pseudoephedrine behind the counter.

A comparable version of H.R. 3889 exists in the Senate, S 103, authored by Senator Jim Talent (MO). According to Rep. Souder's staff person, the only major difference between the House bill and the Senate amendment is that the H.R. 3889 does not require stores to keep drugs containing pseudoephedrine behind the counter. In the Senate, S.103 has been attached to a version of that chamber's appropriations bill for the Departments of Commerce, Justice and State. House leaders have objected to the presence of the measure on a spending bill, and have asked that the Senate pass a freestanding measure.

H.R. 3889 may be taken up by the full Judiciary Committee as early as next week.

HOUSE HOMELAND PANEL REVIEWS BIOSCIENCE AND INTELLIGENCE ISSUES

On Thursday, November 3, 2005, the House Homeland Security Committee's Subcommittee on Prevention of Nuclear and Biological Attack held a hearing entitled "BioScience and the Intelligence Community" to consider how the Intelligence Community uses bio-science experts to identify, prepare for, and mitigate bioterrorism risks.

Witnesses at the hearing included Dr. David A. Relman, Associate Professor of Microbiology & Immunology, and of Medicine, at Stanford University; Dr. David R. Franz, Vice President & Chief Biological Scientist at the Midwest Research Institute; and Mr. Michael J. Hopmeier, Chief of Innovative and Unconventional Concepts at Unconventional Concepts, Inc.

At the hearing, Stanford Professor Relman pointed out that, "to be able to anticipate future biological threats one needs a robust, experienced, agile and creative intelligence collection and analysis capability," adding however that, "Unfortunately, current intelligence community capabilities and expertise in the life sciences and related technologies are not sufficient to meet these challenges." He suggested that most intelligence-focused efforts to date have focused on the physical rather than the life sciences, and that "Relatively few biologists have been recruited to work within this community."

Dr. Relman suggested that, in theory, "an inadequate set of resources within the intelligence community might be partially offset by efforts to borrow or share resources (e.g., expertise) from outside the community," using, for example, groups of outside experts. To date, he felt, such efforts have yielded few results, but he called himself "relatively optimistic" that the existing barriers between the two communities could be overcome. He suggested recruitment efforts to bring life science expertise into the intelligence community in substantial numbers, and parallel efforts to retain such individuals and "maintain their intimate familiarity and connectedness with the cutting edge in their respective disciplines" via such approaches as continuing education and cycled assignments into the scientific workplace. He also suggested tapping life sciences experts in an external advisory capacity to the intelligence community, and he offered various suggestions for forming and operating such an advisory group.

Mr. Hopmeier concurred with these comments and urged that the nation work to increase both the overall awareness of intelligence, and the mode of thought it offers among our medical, public health and biosciences communities. He suggested that an excellent model is that presented by the Epidemiologic Intelligence Service.

Witness testimony is linked at <http://homeland.house.gov/release.cfm?id=443> .

HUNTER IMMIGRATION BILL WOULD EXTEND CALIFORNIA'S BORDER SECURITY FENCE TO TEXAS

On November 3, 2005, Rep. Duncan Hunter (El Cajon), Chair of the House Armed Services Committee, announced the introduction of legislation that would provide \$70 billion for a border security fence stretching from the Pacific Ocean to the Gulf of Mexico. Four other California members of Congress joined with Rep. Hunter to voice their support for the TRUE Enforcement and Border Security Act, which they say will improve homeland security and control unauthorized immigration.

Rep. Hunter described his legislative measure as a comprehensive border enforcement plan that establishes status verifications, appropriate punishments, and increases in border control effectiveness. He noted the reduced crime and stemming of criminal immigration activities observed after the establishment of a border security fence along the California-Mexico border. According to Rep. Hunter, the 14 mile fence built along the open border between San Diego and Tijuana, eliminated the murder rate and instances of human smuggling after its completion. The bill would extend the security fence to Brownsville, Texas. Rep. Hunter noted that the creation of the fence would be more efficient and less costly now that the Bush Administration has waived certain environmental hurdles that would normally delay such projects.

In addition to the construction of a border security fence, the bill would establish a computerized entry-exit system, allow local authorities to enforce immigration laws, authorize funds for 10,000 border agents and personnel, increase penalties for employers hiring undocumented immigrants and forgery of documents, prohibit undocumented eligibility for the Earned Income Tax Credit, and create a telephone verification system that would check the status of immigrants seeking employment.

Rep. Randy "Duke" Cunningham (Escondido), said that he was not opposed to legal immigration, and that the TRUE Act would make it easier to emigrate and work legally. Simultaneously, the legislation would end the porousness of the border, correcting the most serious homeland security vulnerability and reducing a drain on government resources. Rep. Darryl Issa (Vista), criticized the Department of Homeland Security's slow security first response after 9/11. Rep Ken Calvert (Corona) was pleased that his employee verification pilot program was contained in the Hunter bill. He asserted that limiting job opportunities for people illegally crossing the border acts as a deterrent and complements border security activities. Also speaking in favor of the TRUE bill, Rep. Royce (Fullerton) expressed concerned that terrorist leaders were considering illegal migration across the US-Mexico border to enter the country with the intent to do harm.

NASA REPORTS ON TECHNOLOGICAL PROGRESS AND FINANCIAL SHORTFALLS TO HOUSE COMMITTEE ON SCIENCE

NASA Administrator, Jack Griffin, testified to the House Committee on Science on November 3, 2005 that NASA's shuttle budget faces a funding gap of between \$3-5 billion.

Committee Chairperson Sherwood Boehlert (NY) expressed deep concerns that NASA may be trying to do more than what its budget can support in his opening statements. Boehlert said,

We are, I think, seeing the dawning renaissance of NASA, inspired by the leadership of Dr. Griffin and his team. But a renaissance costs money, and I don't see any Medicis waiting in the wings to underwrite NASA. So while NASA may have relatively smooth sailing right now, we ignore the clouds on the horizon at our peril...Here's what I mean, and I will be as blunt as possible: There is simply not enough money in NASA's budget to carry out all the tasks it is undertaking on the current schedule. That's a fact...NASA has gotten in trouble repeatedly in the past by making promises that are beyond its financial means to fulfill. The Columbia Accident Investigation Board (CAIB), among others, has described that folly in excruciating detail. I don't want to see us go down that path again. Before NASA promises that it can accelerate development of the Crew Exploration Vehicle, and complete construction of the Space Station and have worthwhile aeronautics and science programs, it ought to be able to demonstrate where the money will come from. And right now, it can't.

In response to questions, Griffin said, NASA was looking to save money in the Shuttle program by finding “synergies” between the Shuttle and Exploration programs. He requested a six month time frame to report back to the Committee on what savings NASA has found. Griffin also said the impacts of any financial shortfall would not be experienced until fiscal year 2008.

Boehlert also asserted in his opening statement that he supported Griffin’s proposal to cut funding for Space Station research, technology development and Project Prometheus.

Since the last update to the Committee on June 28, 2005, Griffin made great progress with projects he initiated four months ago, which includes 1) releasing of results of the Exploration Systems Architecture Study (ESAS); 2) releasing preliminary results of the Shuttle/Station Configuration Options Team (S/SCOT) study- a study that examines the range of options for completing the Space Station on retiring the Space Shuttle by 2010; 3) significantly reducing Project Prometheus -NASA’s nuclear power and propulsion program- to a technology research program; 4) deciding to postpone the schedule for the launch of the \$1 billion cost overrun on the Webb telescope by two years. As a result of these decisions, NASA has begun reprogramming fiscal year 2005 funds and modifying its request for fiscal year 2006 appropriations.

Additional information regarding this hearing is available on the House Committee on Science website: <http://www.house.gov/science/welcome.htm> .

MPAA AND RIAA TESTIFY AT HOUSE DIGITAL CONTENT COPYRIGHT HEARING

On November 3, 2005, the House Judiciary Committee’s Subcommittee on Courts, the Internet, and Intellectual Property held an oversight hearing entitled “Content Protection in the Digital Age: The Broadcast Flag, High-Definition Radio, and the Analog Hole.” Witnesses included the Hon. Dan Glickman, Chairman and CEO of the Motion Picture Association of America (MPAA); Mitch Bainwol Chairman and CEO of the Recording Industry Association of America (RIAA); Gigi B. Sohn, President of Public Knowledge; and Michael D. Petricone, Vice President for Government Affairs of the Consumer Electronics Association.

Rep. Howard L. Berman (North Hollywood), Ranking Democrat on the Subcommittee, commented that, despite such positive recent developments as the passage of The Family Entertainment Copyright Act and the Supreme Court’s Grokster decision, copyright piracy remains a potent force that threatens an industry that accounts for more than six (6) percent of the U.S. gross domestic product - which translates into employing more than 5.48 million workers and over \$626 billion dollars. He stated that, “we need robust protection of creativity to support everyone---from the most famous artists, to the unrecognized set designer; from the shareholders and executives of studios and R&D record companies, to the many thousands of hourly wage earners who work for them.” Rep. Berman pointed out that strong intellectual property protections actually benefit the consumer because a creative chain that falls prey to piracy jeopardizes the authors' and creators' ability and incentive to produce work in the first place. Citing a need for balancing protection and innovation, he cautioned that we should “be careful to not allow consumer considerations and technology inventors to trump our concerns for creators, and vice versa,” and he suggested that “with the seemingly daily advances in technology, the much needed equilibrium is off-kilter, leaning away from creators.”

Rep Berman called this hearing much different from that previous discussions of piracy, which focused on Peer-to-Peer file sharing involving clearly bad actors. Here, he suggested, “we are trying to bring the ‘good guys’ into the process” as well, necessitating sophisticated, potentially complicated, and finely tuned solutions that are “both secure for the distribution but are not intrusive to the legitimate expectation of consumers.” Berman acknowledged, however, that, “as technologies become more sophisticated and gain more interactive functionalities, this balance may have to be recalibrated.”

MPAA’s Glickman summarized that, “The transition into the digital environment presents great opportunities and great challenges to the American film industry. The capabilities of digital technology enables the American film industry to provide new and better viewing choices to consumers. These same capabilities also greatly facilitate illicit use of audiovisual material, as well as other types of intellectual property.” Glickman estimated that piracy of DVDs and other “hard goods” the U.S. film industry \$3.5 billion annually, and he cited evidence that “as much as two-thirds of Internet bandwidth is being used to

support illicit peer-to-peer traffic in movies and other copyrighted works,” adding, “Organized criminal gangs are finding movie piracy more lucrative than selling drugs.” He pleaded for the development of secure delivery systems that will balance consumer choice with the maintenance of a “sound fiscal base to sustain our industry.” As such, Glickman endorsed Digital Rights Management (DRM) technologies and voluntary contractual efforts to ameliorate the situation, but went further to say that “there are some areas where private sector solutions alone will not work.”

Mr. Glickman, a former Member of Congress and Secretary of Agriculture, suggested that “Congressional action is needed to plug the analog hole and reinstitute the Broadcast Flag.” The analog hole refers to the conversion of digital material (protected by DRM) to analog format and then back again to digital, which strips away the DRM protections and vulnerable to illicit reproduction and distribution. He charged that some consumer devices are specifically designed to take advantage of the analog hole. The Broadcast Flag refers to FCC regulations that prevent unauthorized redistribution of digital material over the Internet, an issue becoming more ripe given that the expected transition to all-digital television signals in 2009. Mr. Glickman urged “narrowly crafted” legislation to reinstate the FCC’s broadcast flag rules to “place free, off-air broadcasters on a level playing field with cable and satellite distribution systems.” He acknowledged that, “Both the analog hole and broadcast flag have been subject to intense, multi-industry discussions.

RIAA’s Bainwol focused primarily on how digital audio issues fit into the current debate. He sounded an alarm about the potential for piracy, stating, “What we are talking about here is not casual recording by listeners. We are talking about technologies that allow broadcast programs to be automatically captured and then disaggregated, song-by-song, into a massive library of music, neatly filed in a digital jukebox and organized by artist, song title, genre and any other classification imaginable.” He said that if listeners amass large libraries of digital content without paying for it, the resulting loss of sales “threatens to rival or even surpass that P2P file-sharing, which has already devastated the music and other content industries,” and he feared that digital radio downloads offer pristine copies of songs that would be ripe for piracy. Bainwol suggested, “The ubiquity and ease of use of radios outstrips that of computers, and the one-way method of communication allows individuals to boldly engage in piracy with little fear of detection.” Bainwol distilled the industry’s challenge to the fact that few sane people will pay for something that they can get for free. He asked whether a consumer would still pay 99 cents for a song from iTunes when he or she could record the same song from digital radio for nothing.

Bainwol noted that most law now envisions the existing broadcast, analog radio model, and does not address the potential of piracy via digital radio downloading. He urged “changes in the law that protect against a company transforming its radio service into a distribution service without the appropriate license.” He suggested a two-step approach: readdressing the existing license for satellite, cable, and Internet radio services; and empowering the FCC to address over-the-air digital radio services which are not covered by this license. First, he proposed that “services that operate as broadcast stations should not offer features that enable song-by-song disaggregation and permanent storage in digital libraries without paying the same market prices that licensed download services pay.” Second, he urged that “satellite and over-the-air radio broadcasters need to prevent the unrestricted redistribution of recordings and the ability to perform search-facilitated or automated copying so that individual recordings cannot be separated from surrounding content.”

During questioning, Rep. Berman questioned why a new law is needed when the DMCA offers a fair use defense. He also questioned whether some witness testimony missed the mark -- some witnesses cautioned against putting FCC into business of dictating technological design, but Rep. Berman asked whether it was perhaps entirely appropriate for the FCC simply to set technological standards that the relevant industries would then strive meet.

Rep. Darrell Issa (Vista) pursued a similar tack, noting that American consumers might be faced with confusingly and disruptively divergent technologies absent FCC standards, and suggested that standard-

setting is among the Commission's core responsibilities. He also suggested that the availability of content for digital broadcast in the first place is dependent in part on protection.

Regarding the broadcast flag concept, Rep. Rick Boucher (VA) suggested that certain types of programming shouldn't be flagged at all, such as public affairs programming, if it does not harm the content owner. He cited the example of forwarding a short clip from a news program as something that should not be prohibited. He also questioned whether piracy concerns should even extend to digital radio in the same manner, arguing that someone intent on performing piracy would be more inclined to purchase a CD rather than download a lower-quality content item over the radio.

Rep. Zoe Lofgren (San Jose) commented that there is solid unanimity on the Committee that content owners should be protected from having their intellectual property pirated, but she urged that consumer convenience and needs not be shortchanged in the process. Mr. Glickman agreed that common sense needs to govern any solution to fair use concerns. Rep. Lofgren added that Congressional mandating of a particular technology is "almost always a mistake."

Testimony and additional information is available at <http://judiciary.house.gov/oversight.aspx?ID=202> .

PEW HISPANIC CENTER REPORT FINDS LATINOS MORE LIKELY TO ATTEND LARGEST PUBLIC HIGH SCHOOLS

According to a report released by the Pew Hispanic Center Report on November 1, 2005, Hispanic teens are more likely than Blacks and Caucasians to attend public high schools that have the most students, the highest concentrations of poor students and highest student-teacher ratios. The findings came in one of three studies released today by the Center that examined youths in high schools and colleges.

The report found that more than half of Latinos (56%) attend the nation's largest public high schools – those schools whose enrollment size ranks them in the 90th percentile or higher-compared with 32 percent of Blacks and 26 percent of Caucasians. Moreover, it was also reported that about 37 percent of Latinos attend the 10 percent of schools with the highest student-teacher ratios. This information is in striking contrast to the 14 percent of Black students and 13 percent of Caucasians attend those schools, which have a student-teacher ratio greater than 22-to-1 compared with the national average of 16-to-1. One reason for the disproportionate number of Latino students in public high schools, researchers offer, is the fact that the Hispanic population is concentrated in a few states that have larger public high schools, on average, than the rest of the nation.

Although much of the research on the achievement gap between Hispanics and Caucasians has focused on characteristics of students, the recent Pew study examined the structural characteristics of the high schools attended by different racial and ethnic groups.

"The characteristics of high schools matter for student performance," said Richard Fry, author of the three reports. "Hispanic teens are more likely than any other racial or ethnic group to attend public high schools that have the dual characteristics of extreme size and poverty."

A second report released by the Center on the high school attendance of foreign-born teens elaborated on the importance of schooling abroad in understanding the dropout problem for immigrant teens. Researchers concluded that those teens have often fallen behind in their education before coming to the United States. In addition, existing data on immigrant teens inaccurately portray and skew the overall number of the nation's dropouts, often calculated as the number of school-aged teens not enrolled in school.

In a third report- examining the latest available enrollment data from individual colleges- the Center found that the number of young Hispanics going to college is increasing. Nationally, there was a 24 percent increase in the number of Latino freshmen in postsecondary institutions in 2001 compared with 1996. Among four-year colleges, Latino freshmen enrollment increased by 29 percent over the same period, and among two-year colleges, it increased by 14 percent. However, the number of Caucasians enrolling in four-year colleges is increasing at a more rapid pace, thus, widening a large gap between Caucasians and Latinos in states like Arizona, California, Florida, Illinois, New Jersey, New York and Texas, and Florida.

For more information, visit <http://www.pewhispanic.org> .

FIRST EVER CENSUS REPORT ON “DAYTIME” POPULATION HELPS ILLUMINATE POTENTIAL TERRORISM RISKS FOR URBAN AREAS

Based on 2000 Census data, the findings come from the first-ever U.S. Census Bureau estimates of the daytime population for all counties and more than 6,400 places across the country, recently released on October 20, 2005.

The concept of the daytime population refers to the number of people, including workers, who are present in an area during normal business hours, in contrast to the resident population present during the evening and nighttime hours.

According to Louis Kincannon, Census Bureau Director, daytime population data is essential in dealing with planning, transportation, and national security matters, among other issues of the sort; daytime population data will be helpful in providing a clearer picture of effects in various events, including natural disasters like the recent hurricanes.

Irvine, CA, was one of the four most populated cities during the day in America. In the same vein, data revealed that areas with small resident populations had a tendency to possess the largest percent increase in the daytime over nighttime populations. In California, Palo Alto's population increased by about 81 percent; also, there was an increase of approximately 292 percent reported in El Segundo. Additionally, compared to other similarly sized cities, Beverly Hills experiences sizable expansion of daytime populations.

Two of California's largest metropolises, Los Angeles and San Francisco, were found to expand moderately during the daytime. Los Angeles, with a residential population of 3,822,697, experienced a population swell of over 100,000; San Francisco's residential population of 776,733 ballooned to 945,480 during the day, a considerably larger increase proportionately.

Additional information and a copy of the report is available at <http://www.census.gov/Press-Release/www/releases/archives/population/005822.html>.

CENSUS REPORTS ON NATION'S COMPUTER USE; CALIFORNIA USAGE ABOVE AVERAGE

The Census Bureau released a report on computer use in America on October 27, 2005. Major findings of the report include reasons for computer use, the impacts of computer use on interpersonal communication, and the critical role of the Internet to the economy. Additionally, the report reveals age, gender, and race differences in the ownership, frequency, and type of computer and internet usage in America.

In 2003, approximately 70 million American households, 62 percent, own at least one computer, an increase from the 56 percent reported in 2001. Similarly, 62 million households (55 percent) had Internet access. This figure is five percent higher than what was reported in 2001 and triple the proportion of households with Internet access in 1997 when this information was first collected.

Regional differences regarding computer and Internet ownership and usage were also revealed in the study. Households in the West had the highest rates of access to these technologies (67 percent computer ownership, 59 percent Internet access) compared to the Northeast, Midwest, and South (59 percent computer ownership, 52 percent Internet access), which trailed closely behind.

The states with the highest ownership of computers were Utah, Alaska, New Hampshire, and Washington (72 percent). On the other hand, Mississippi, Arkansas, and Louisiana were among the lowest (nearly 50 percent). The proportion of Internet connection was highest in Alaska and New Hampshire (approximately 65 percent) and, again, lowest in Mississippi (39 percent) and Arkansas (42 percent).

California ranked well above average, but not at the top. The state was 13th highest in computer ownership, and 11th in terms of access to the internet. Approximately 59 percent of Californians had internet access in March 2003, and 66 percent owned a computer.

Computer ownership and access vary by age as well. Households with senior aged persons (65 or older) had a lower adoption rate of computer and Internet ownership and usage (35 percent). Likewise, three-quarters of households with a school-aged child (ages 6-17) had a computer and 67 percent had Internet access. Nearly nine in 10 children living in households with a computer and Internet connection used it. Likewise, the rate of children who have access to a computer at home and at school is on the rise. In 1993,

32 percent of children had access to a computer at home and 61 percent used a computer at school. In 2003, however, 76 percent of children ages 3-17 lived in a household with a computer, and 83 percent of the 57,000,000 enrolled children used a computer at school. Clear evidence, according to the report, that this generation has been given more exposure to technology in comparison to their predecessors.

The type of uses for the computer and Internet varied by age and gender as well. Children ages 3-17 reported using the computer to play games at a rate of 83 percent, followed by a 66 percent rate for using the computer to do school assignments, and connecting to the Internet (64 percent). Internet access also was used to complete school assignments (75 percent). Adults over 18 years of age using the computer grew from 18 percent in 1984 to 64 percent in 2003. Internet use for the adult population jumped to 60 percent from the original rate of 22 percent last documented by the Census Bureau in 1997. Recent analyses show that more women use the computer at home compared to their male counterparts. This trend has apparently reverses a “gender gap” that was evident in the 1980's and 1990's. In addition, women used the Internet at home more than males. In the professional arena, 63 percent of women use a computer on the job. This is a significant increase from the 29 percent reported in 1984. Males, on the other hand, reported a rate of 21 percent on-the-job computer usage in 1984, compared to recent reports in 2003 of 51 percent. Forty-seven percent of women and 39 percent of men used the Internet on the job in 2003. In 2003, technology use-intensive office and administrative support occupations accounted for 23 percent of all working women and 6 percent of working men. Nine out of 10 adults who use the Internet use it for email; eight in 10 adults use the Internet to get information on products and services. Overall, the Internet has become a major venue for the distribution of news, the Census Bureau found. Recent figures show 40 percent of adults get their news from the Internet compared to seven percent of the adult population who used the Internet in 1997. Additionally, more than half of all adults used the Internet for e-mailing and instant messaging in 2003 compared to only 12 percent of adults in 1997. These changes in Internet usage have changed the way adults communicate interpersonally. Furthermore, the Internet has become embedded into the economy, with more adults conducting their banking (18 percent), job searching (12 percent), and shopping (32 percent) over the Internet.

For additional information and the report, visit: <http://www.census.gov/prod/2005pubs/p23-208.pdf> .

CONFERENCE AT UCDC EXAMINES STATE INITIATIVES AND SPECIAL ELECTION

Some of the state's leading policy and political thinkers met in Washington on Friday, October 28, 2005, to discuss California's initiative process, state politics and voter attitudes, and the upcoming special election. The discussion took place during a one-day conference held at the University of California's Washington Center (UCDC) held to consider the national and statewide implications of current California issues.

The event featured four sessions with leading policy thinkers, as well as a keynote address by former California Governor Gray Davis. The first session, entitled "Government by the People: an Overview," was moderated by IGS and UCDC director Bruce Cain and featured remarks IGS Associate Director Jack Citrin, Sacramento Bee columnist and author Peter Schrag, and Susan Pinkus of The Los Angeles Times, with commentary by E.J. Dionne of the Brookings Institution. A session called "The Politics: Campaigns, Consultants, and Money" featured Norman Ornstein of the American Enterprise Institute, Raymond LaRaja of UMass Amherst, California Democratic campaign consultant Garry South and Republican consultant Ken Khachigian, as well as comments by columnist Dan Weintraub.

Following a luncheon featuring keynote remarks by Davis, a session entitled "The Policy: Gerrymandered Districts and Budget Deficits" was moderated by Jerry Lubenow of IGS and featured remarks by John Ellwood of Berkeley's Graduate School of Public Policy, Nathaniel Persily of U.Penn's School of Law, former California State Senate Republican Leader Jim Brulte of California Strategies, State Senate Appropriations Committee Chief Fiscal Advisor John Decker, and Tom Mann of the Brookings Institution. A final session, entitled "Implications for Governance," was moderated by Susan Rasky of the UC Berkeley School of Journalism and featured comments by Sherry Bebitch Jeffe of the School of Policy Planning and

Development at the University of Southern California, and Karl Kurtz of the National Conference of State Legislatures.

Video from the sessions is archived in streaming (RealPlayer) mode at the U.C. Washington Center. The links, as well as an agenda, various conference materials, and additional information are posted at https://www.ucdc.edu/faculty/special_event.cfm.

FORMER GOV. DAVIS WEIGHS IN RE SPECIAL ELECTION AT UCDC EVENT

On October 28, 2005, former California Governor Gray Davis delivered remarks on the California initiative process at a conference in Washington hosted jointly by the University of California's Washington Center (UCDC) and the UC Berkeley Institute for Governmental Studies (IGS). Gov. Davis discussed some of his legislative achievements, and challenges, and weighed in on some of the initiative proposals California voters will be considering in next week's special election.

Attending the conference as the keynote speaker, Gov. Davis discussed some of his accomplishments while he was in office and how he used the initiative process to further his policy causes when he saw fit. He noted that his legislative priorities as Governor were to improve student improvement in education through better measurement and greater academic accountability. Gov. Davis implemented the Academic Performance Index, established merit scholarships for high-achieving students and made the high school exit exam a requirement for graduation. Education and infrastructure were the Gov's priorities when he was in office between 1998 and 2003 and he used the ballot initiative process successfully to promote infrastructure reforms to those ends. According to Gov Davis, the reforms he sponsored in the legislature and on the ballot increased student performance in tests 5 years in a row, and improved infrastructure and education quality. Specifically, under his administration, California improved in per capita education spending from 43rd in the nation to the national average, and 48th in student achievement to 33rd in the nation.

The former Governor is a supporter of ballot initiatives as a matter of policy but he opposed all four of the proposals backed by Gov. Schwarzenegger. He stated his support for Proposition 76's notion that the state of California should set safeguards that allow it to live within its means, although he was concerned that education, which accounts for over 50 percent of the state budget, would be most adversely impacted by the budgetary controls proposed in the legislation. Gov. Davis discussed how he would support Proposition 77, which would reform the methods used to redraw district boundaries, if explicit criteria of making seats competitive was included in the language of the measure. A supporter of centrism, he wasn't sure if the reforms proposed in Prop. 77 would necessary create competition in electoral races. He said he opposed Proposition 74, which would step up probation for new teachers, and was not in favor of Proposition 75, which limits the powers of unions because no similar limitations were proposed for corporations in the measure. Gov. Davis directly rejected any suggestion that he might run for public office again in the future.

The day-long symposium held at the UC Washington Center drew together a number of policy experts, columnists, journalists, academicians, and pundits who each offered their input on the upcoming California Special Election and the overall pros and cons of the ballot initiative system.

Jim Brulte, former California Senate Republican Leader stated his support for Gov. Schwarzenegger's proposed legislative reforms. He noted that of 153 state and federal districts drawn in California, not one experienced a change of party control. Mr Brulte, formerly a State Senator from Rancho Cucamonga, suggested that the political polarization that exists in California would not be remedied by redistricting, and that a more effective way of reducing polarization would be to eliminate the closed primary system currently in practice. The growing dominance of special interests in Sacramento has also contributed to ideological polarization along with the institution of term limits, according to Sen. Brulte.

For more conference information, visit https://www.ucdc.edu/faculty/special_event.cfm.