



## Studies in the News

California Research Bureau, California State Library

Issue 14-107

February 19, 2014

Contents this week:

### **ECONOMY**

U.S.- NAFTA trade exceeded \$100B in 2013

### **EDUCATION**

Early reading proficiency projects economic success in adulthood

Survey: Millennials view college as worth the cost

### **EMPLOYMENT**

Quality jobs have declined for recent graduates

### **ENERGY**

Implications of raising CA's Renewables Portfolio Standard to 50% by 2030

### **ENVIRONMENT**

Superweeds: a growing concern

### **GENERAL GOVERNMENT**

The effect of public sector health coverage on retirement dates

### **HEALTH**

Health care reform's potential impacts on one CA community

### **HOUSING**

A look at state solutions for homelessness

### **HUMAN SERVICES**

CalWORKs grants below the deep-poverty threshold in 2014

### **TOOLS OF THE TRADE**

Trials in Transparency

### **TRANSPORTATION & INFRASTRUCTURE**

The Bay Bridge: opportunity for transparency reform

### **ECONOMY**

***U.S. – NAFTA Trade Exceeds \$100B for First Time on Record. U.S. Department of Transportation, Bureau of Transportation Statistics. Jan. 7, 2014. 10 p.***

[http://www.rita.dot.gov/bts/sites/rita.dot.gov/bts/files/bts01\\_14.pdf](http://www.rita.dot.gov/bts/sites/rita.dot.gov/bts/files/bts01_14.pdf)

"U.S. trade with its North American Free Trade Agreement (NAFTA) partners Canada and Mexico in October 2013 was \$103.1 billion, up 4.5% from October 2012 and exceeding \$100 billion for the first month on record.... Total surface transportation trade topped its previous high of \$81.7 billion set in March 2013.... Pipelines showed the most year-to-year growth at 23.7% for oil and other petroleum

products, the primary commodity transported by pipelines.” This brief provides a breakdown of freight flows by mode of transportation as well as country-specific freight flows by mode of transportation statistics.

## EDUCATION

***Early Reading Proficiency in the United States.* The Annie E. Casey Foundation. Jan. 2014. 4 p.**  
[www.aecf.org/~media/Pubs/Initiatives/KIDS%20COUNT/E/EarlyReadingProficiency/EarlyReadingProficiency2014.pdf](http://www.aecf.org/~media/Pubs/Initiatives/KIDS%20COUNT/E/EarlyReadingProficiency/EarlyReadingProficiency2014.pdf)

“Children who are proficient readers by the end of third grade are more likely to graduate from high school and to be economically successful in adulthood. This KIDS COUNT data snapshot finds 80% of fourth-graders from low-income families and 66% of all fourth-graders are not reading at grade level. While improvements have been made in the past decade, reading proficiency levels remain low.... Early reading proficiency rates for the nation and each state are provided.” The report finds that in 2013, 73% of all California fourth graders were reading below proficient levels.

***The Rising Cost of Not Going to College.* PEW Research Social and Demographic Trends. Feb. 11, 2014.**

<http://www.pewsocialtrends.org/2014/02/11/the-rising-cost-of-not-going-to-college/>

“Millennial college graduates are more likely than their peers with a high school diploma or less education to say their job is a career or a steppingstone to a career (86% vs. 57%).... Among employed Millennials, college graduates are significantly more likely than those without any college experience to say that their education has been ‘very useful’ in preparing them for work and a career (46% vs. 31%).... But do these benefits outweigh the financial burden imposed by four or more years of college? Among Millennials ages 25 to 32, the answer is clearly yes.”

## EMPLOYMENT

**“Are Recent Graduates Finding Good Jobs?”** By Jaison R. Abel, et al. *Federal Reserve Bank of New York, Current Issues in Economics and Finance*, vol. 20, no. 1 (Jan. 22, 2014) 8 p.

[http://newyorkfed.org/research/current\\_issues/ci20-1.pdf](http://newyorkfed.org/research/current_issues/ci20-1.pdf)

“According to numerous accounts, the Great Recession has left many recent college graduates struggling to find jobs that utilize their education. However, a look at the data on the employment outcomes for recent graduates over the past two decades suggests that such difficulties are not a new phenomenon: individuals just beginning their careers often need time to transition into the labor market. Still, the percentage who are unemployed or ‘underemployed’—working in a job that typically does not require a bachelor’s degree—has risen, particularly since the 2001 recession. Moreover, the quality of the jobs held by the underemployed has declined, with today’s recent graduates increasingly accepting low-wage jobs or working part-time.”

## ENERGY

***Investigating a Higher Renewables Portfolio Standard in California.* Energy+Environmental Economics. Jan. 2014. 317 p.**

[http://www.ethree.com/documents/E3\\_Final\\_RPS\\_Report\\_2014\\_01\\_06\\_with\\_appendices.pdf](http://www.ethree.com/documents/E3_Final_RPS_Report_2014_01_06_with_appendices.pdf)

“This study explored the technical, environmental, and economic implications of raising California’s Renewables Portfolio Standard (RPS) from 33% by 2020 to 50% by 2030. E3 modeled a 33% by 2030 RPS and compared those results to a 40% RPS and several 50% RPS cases. The most pervasive

reliability challenge was over-generation on the system, which can be handled through curtailment, though that is not the most cost-effective strategy in the long run.... The authors identified additional strategies to improve renewables integration, including enhanced regional coordination, diversifying the renewable portfolio, and investing in energy storage.”

## ENVIRONMENT

***The Rise of Superweeds—and What to Do About It.*** Union of Concerned Scientists. Dec. 2013. 8 p.  
[http://www.ucsusa.org/assets/documents/food\\_and\\_agriculture/rise-of-superweeds.pdf](http://www.ucsusa.org/assets/documents/food_and_agriculture/rise-of-superweeds.pdf)

“Superweeds” are noxious weeds that contain genes making them resistant to popular agricultural herbicides (particularly glyphosate, or Roundup). In this report, the Union of Concerned Scientists discusses the emergence of Superweeds, the threat they represent to American agriculture, and proposes a set of programs, policies, and interventions to address it.

## GENERAL GOVERNMENT

***The Role of Retiree Health Insurance in the Early Retirement of Public Sector Employees.*** By John B. Shoven, et al. National Bureau of Economic Research. Oct. 2013. 28 p.  
<http://papers.nber.org/tmp/46479-w19563.pdf>

“Most private sector workers with employer-provided health insurance have a strong incentive to continue working until Medicare eligibility in order to maintain group health coverage. However, most government employees have access to retiree health coverage, which allows them access to group health coverage even if they retire before Medicare eligibility. We study the impact of retiree health coverage on the probability of stopping work among public sector workers between the ages of 55 and 64. We find that, for state and local government employees, retiree health coverage raises the probability of stopping work by 5.1 percentage points (around 28%) between ages 60 and 64. However, we find no evidence that retiree health coverage influences state and local employees’ decisions to stop work at ages 55-59, or that such coverage has an effect on the probability of stopping work for federal and military employees.”

## HEALTH

***The Affordable Care Act and the Community of Boyle Heights: Impacts and Challenges.*** By Walter Zelman. The Pat Brown Institute of Public Affairs at California State University, Los Angeles. Dec. 2013. 19 p.  
<http://www.patbrowninstitute.org/publications/documents/ACAandBoyleHeightsCommunityImpactandChallenges.pdf>

“The focus of this study is how the ACA [Affordable Care Act], with all of its complications, is likely to impact low-income communities such as Boyle Heights [in Los Angeles County].... It reviews a number of studies aimed at assessing the possible effects of reform on insurance coverage and attempts to apply some of those findings to Boyle Heights.” The report goes on to explore “possible impacts of reform and the multiple opportunities and challenges—policy, political, and economic—posed by that process.”

## HOUSING

***No Place Like Home: Addressing Poverty and Homelessness in the United States.*** By Tracey Ross. Center for American Progress. Dec. 2013. 29 p.  
<http://www.americanprogress.org/wp-content/uploads/2013/12/Homelessness.pdf>

Nonchronic individuals make up the largest group of the U.S. homeless population (46%), followed by families (36%) and chronic individuals (18%). Rapid re-housing programs such as those in Utah and Denver, CO, which focus on placing people in permanent housing rather than expanding shelter beds, appear to be most effective. Coordinating homeless programs with other federal social programs, expanding affordable housing, and providing “living wage” jobs are cited as long-term solutions to end homelessness.

## HUMAN SERVICES

***CalWORKs in the Governor’s Proposed 2014-15 Budget: Assistance For Low-Income Families Is Left Far Below the Poverty Line.*** California Budget Project. Feb. 6, 2014. 2 p.

[http://www.cbp.org/pdfs/2014/140206\\_CalWORKs\\_Governor\\_Proposed\\_Budget\\_BB.pdf](http://www.cbp.org/pdfs/2014/140206_CalWORKs_Governor_Proposed_Budget_BB.pdf)

The third in a series of CBP briefs, which examine key components of Governor Brown’s proposed 2014-15 budget, looks at the California Work Opportunity and Responsibility to Kids (CalWORKs) program. “In order to help close budget gaps in recent years, state policymakers made deep cuts to CalWORKs.... As a result, the value of CalWORKs grants dropped well below the deep-poverty threshold, defined as less than half the federal poverty level.... [D]espite the state’s significantly improved revenue outlook, the Governor does not propose to use General Fund dollars to further increase grant levels in 2014-15.”

## TOOLS OF THE TRADE

***Trials in Transparency.*** U.S. Congress, House of Representatives Committee on Veterans’ Affairs.

<http://veterans.house.gov/transparency>

“Trials in Transparency is designed to highlight one of the committee’s top oversight challenges: getting timely information from Department of Veterans’ Affairs officials. This page will be updated on a weekly basis and will keep a running record of outstanding information requests made to VA by both Democratic and Republican members of the House Committee on Veterans’ Affairs.”

## TRANSPORTATION & INFRASTRUCTURE

***The San Francisco-Oakland Bay Bridge: Basic Reforms for the Future.*** By Roland De Wolk. News to the Next Power. Jan. 2014. 41 p.

<http://stran.senate.ca.gov/sites/stran.senate.ca.gov/files/DeWolkreportfinal.pdf>

“This inquiry aims to learn from the construction of the eastern span of the San Francisco-Oakland Bay Bridge how we can spend our time and money wisely in the future, especially on massive public works projects of which there are bound to be more.... There is another clear lesson learned here: Even engineers—electrical, civil, mechanical, the list goes on—very often have blunt and passionate disagreements on much of their work.... But there is also surprising consensus on much of what at first may appear to be conflict.”

### About *Studies in the News*

*Studies in the News* (SITN) is a service provided by the California Research Bureau (CRB), a division of the California State Library. CRB provides independent, nonpartisan research and analysis for the Governor, Legislature and State Constitutional Officers.

SITN lists of current studies related to public policy issues are e-mailed weekly. Archived issues are available at <http://www.library.ca.gov/sitn/crb/>.

To add or remove your name from the SITN distribution list, or to update your e-mail address, please contact us at [crb@library.ca.gov](mailto:crb@library.ca.gov), or (916) 319-2691.

SITN is available as an RSS feed at <http://www.library.ca.gov/sitn/crb/>.