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House of Representatives

The House met at 10 a.m.

The Reverend Eric W. Jorgensen, St. Stephen's Reformed Episcopal Church, Eldersburg, Maryland, offered the following prayer:

Almighty God, who has given us this good land for our heritage, we humbly beseech Thee that we may always prove ourselves a people mindful of Thy favor. Bless these Representatives who faithfully serve the citizens of this Nation. Grant them a solemn sense of responsibility before God and their fellow man. Care for their loved ones in need while they labor in this House. Help them to stand firm in conviction where warranted and grant the ability to come to consensus when needed.

We ask the same for other government branches and for Your mercy upon those who defend our national life and liberty. Make us all strong and great in the fear of God and in love of righteousness that blessed of Thee we may be a blessing to all people. Grant this by the authority of Him who was and is and is to come. Amen.

THE JOURNAL

The SPEAKER pro tempore (Mrs. TAUSCHER). The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. POE. Madam Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. POE. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Missouri (Mr. CLEAVER) come forward and lead the House in the Pledge of Allegiance.

Mr. CLEAVER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING THE REVEREND ERIC W. JORGENSEN

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute.)

Mr. BARTLETT of Maryland. Madam Speaker, I want to thank one of my constituents, Pastor Eric W. Jorgensen of St. Stephen's Reformed Episcopal Church in Eldersburg, Maryland, for serving as a guest chaplain of the House of Representatives and providing us a beautiful prayer before we begin our work.

This is a tradition begun by Benjamin Franklin that has been followed ever since by the House of Representatives and the Senate. Benjamin Franklin, then 82 years of age, rose during a moment of crisis during our Constitutional Convention. This is part of what he said: ''In the days of our contest with Great Britain when we were sensible of danger, we had daily prayer in this room for divine protection. I have lived, sir, a long time, and the longer I live, the more convincing proofs I see of this truth, that God governs in the affairs of men. If a sparrow cannot fall without his notice, can a Nation rise without his aid?

''I therefore beg leave to move that henceforth prayers imploring the assistance of heaven and its blessings on our deliberations be held in this assembly every morning before we begin to proceed to any other business.''

Thank you, Mr. Franklin, for this precedent. Thank you, Pastor Jorgensen, for helping to continue this great tradition.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 10 further requests for 1-minute speeches on each side of the aisle.

END THE WAR IN IRAQ

(Mr. CLEAVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLEAVER. Madam Speaker, this morning I rose from my slumber and turned on C–SPAN, as I always do, and caller after caller mentioned that they interpret what goes on here in this body as irrelevant, that we don't listen to the American people. Of course, if they are talking about the war, which most Americans want ended, they are right. If they are referring back to the Terri Schiavo incident, they are right. But many of them were talking about the SCHIP program. It is troublesome to me that we will not provide health insurance for 10 million children.

I don't attack the President, I don't condemn my colleagues and call them names, but I have got to say that it is embarrassing that the dreams of the American public show up here on this floor to die. This has become the burial ground for American dreams.

WELCOME PRESIDENT NAMBARYN ENKHBAYAR OF MONGOLIA

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Madam Speaker, last week President Nambaryn Enkhbayar of Mongolia visited the United States to meet with President Bush and discuss the growing partnership between our two nations. As cochair of the Mongolian Caucus, I was grateful for President Enkhbayar's visit. Mongolia and the United States continue to work closely together to strengthen our economic and strategic alliances, as well as our efforts internationally.

Madam Speaker, I am particularly appreciative of the Mongolian people's continued support of our efforts in Iraq as the central front in the global war on terrorism. During the visit, President Bush and President Enkhbayar signed a Millennium Challenge Corporation Compact. A millennium challenge compact is an initiative by the United States to help developing nations expand their economic growth by investing in infrastructure, health care, education, transportation and other areas.

In conclusion, God bless our troops, and we will never forget September the 11th.

Happy birthday, Alan Stedman of Haddenfield, New Jersey.

AMERICAN SOLDIERS IN IRAQ ARE TIRED, BITTER AND SKEPTICAL, AND YET BUSH ONLY OFFERS STATUS QUO

(Mr. MORAN of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN of Virginia. Madam Speaker, as President Bush allows the war in Iraq to drag on, with no change in policy and no end in sight, it is important that we hear what our combat soldiers are saying on the front lines of that war. Over the weekend, The Washington Post published a story on the First Infantry Division of the First Battalion, which has been patrolling the streets of Baghdad for the last 14 months. Those troops are tired, bitter and skeptical. One such soldier told the reporter, and I am quoting, ''I don't think this place is worth another soldiers' life.''

Our soldiers are also frustrated that decisionmakers here in Washington don't fully realize what is going on. Quoting another soldier: ''They just know back there what the higher-ups tell them. But the higher-ups don't go anywhere, and actually they only go to the safe places with a little bit of gunfire. They don't see what we see on the ground.'' Having been to Iraq a number of times, as many of my colleagues have, how true that is.

Madam Speaker, none of us in this Chamber can imagine what our soldiers go through on a daily basis in Iraq, but the White House needs to start listening to them. It is well past time to bring our sons and daughters home from this fiasco we call the war in Iraq.

TRULY SCARY HALLOWEEN

(Mr. AKIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKIN. Madam Speaker, today is Halloween. The Democrats are doing a good job celebrating it. They are handing out entitlements like Halloween candy. The question is how are we going to pay for it. Well, they have approved $431 billion in new taxes this year, but for Halloween they have got something that is really scary: the mother of all tax increases, the biggest tax increase in the history of our country, $3.5 trillion.

The question becomes on Halloween, with fuel prices going up, with the cost of health care going up, with the cost of housing going up, how can we face something as scary as the mother of all tax increases.

VETERANS DAY

(Mr. KAGEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KAGEN. Madam Speaker, the war to end all wars, World War I, ended on the 11th day of the 11th month in 1911. In these words, Armistice Day became our Nation's day to give our gratitude to all, to all of our servicemen and women, as President Wilson proclaimed: ''To us in America the reflections of Armistice Day will be filled with solemn pride in the heroism of those who died in the country's service and with gratitude for the victory, both because of the thing from which it has freed us and because the opportunity it has given America to show her sympathy with peace and justice in the councils of nations.''

Peace and justice. Peace and justice.

President Eisenhower would later, in 1954, change this title to Veterans Day. This 110th Congress has fulfilled its duty to the spirit and the meaning of Veterans Day by passing the largest increase in veterans benefits in the past 77 years, making certain all vets receive the benefits they have earned.

This Veterans Day day, please, please thank a veteran for their service, for this is still our Nation's finest hour.

EARMARK MINUTE

(Mr. FLAKE asked and was given permission to address the House for 1 minute.)

Mr. FLAKE. Madam Speaker, Democrats wisely seized on earmark reform as an issue during last year's elections. I believe that their promises of reform, coupled with the Republican Party's inability to control earmarks, directly contributed to the Democrats' success in last year's elections. However, the majority party does not appear to be following through with the substantive reforms that were promised.

Take the Labor-HHS bill that will soon be considered in conference. It contains more than 1,300 House earmarks, more than 1,000 Senate earmarks. It goes without saying that few of these earmarks have received even a cursory screening, let alone a thorough vetting. We need to remember that we are only halfway through the process and it is in the conference that much of the earmark mischief occurs. Public confidence in our ability as stewards of their taxpayer dollars will further erode.

Madam Speaker, while watching the Democrats make the same political miscalculations as we did in the majority may delight us as Republicans, it has to be sorely disappointing to taxpayers. I urge all Members, Republicans and Democrats, to support legislation to impose an earmark moratorium until we can scrutinize all earmarks.

□ 1015

SCHIP HALLOWEEN

(Mr. EMANUEL asked and was given permission to address the House for 1 minute.)

Mr. EMANUEL. Madam Speaker, President Bush is continuing to oppose a bipartisan plan to give 10 million children the health care they need. This morning, the Associated Press reported that President Bush will veto any plan that raises the resources necessary to fund children's health care.

An overwhelming majority of Republicans and Democrats in Congress disagree with the President on this issue. But the President is content to continue to stand between 10 million children and their health care. The President's refusal to move forward could have serious consequences for middle-class families.

The New York Times reported today that 21 States will run out of money for children's health care this year if the spending for the SCHIP program continues only at current levels. The parents of these children earn a paycheck, not a welfare check. Millions of children and their parents are counting on this President and Republicans in Congress to offer more than an emergency room as health care.

The same children who are counting on the President to act will celebrate Halloween this evening and President Bush won't miss out on the fun. At 1600 Pennsylvania Avenue, President Bush is having what he calls an SCHIP Halloween. It's all trick, no treat. He's preventing health care coverage for millions of kids.

DRUG SMUGGLERS USE FAKE GOVERNMENT TRUCKS

(Mr. POE asked and was given permission to address the House for 1 minute.)

Mr. POE. Madam Speaker, the drug smugglers have gotten smarter. They now disguise vehicles they are using to smuggle drugs into America to look exactly like Texas State transportation trucks. They mask them with official decals and even license plates; thus, making it easier to bring drugs into the United States.

Even though this criminal activity is highly organized, at least 11 drug dealers have been captured bringing thousands of dollars worth of drugs into our country using these fake State vehicles.

But when the U.S. Attorney prosecuted these criminals, they received relatively light sentences. Some people received only fines. One received 24 months in prison, far less than the 11- and 12-year sentences that Border Agents Ramos and Compean received when they were prosecuted by the same U.S. Attorney for wounding a drug smuggler on the border.

The U.S. Attorney's weak prosecution of drug smugglers is disturbing. The U.S. Attorney's Office seems to be more interested in prosecuting border agents than it is in prosecuting the real criminals that bring drugs into our country. The overwhelming message here is that a measly fine is just a cost of doing business: the drug smuggling business in America.

And that's just the way it is.

MISPLACED PRIORITIES

(Mr. JOHNSON of Georgia asked and was given permission to address the House for 1 minute.)

Mr. JOHNSON of Georgia. Madam Speaker, within the last month, the American people have seen just how misplaced President Bush's priorities are when it comes to addressing the needs of hardworking Americans.

Earlier this month, the President vetoed a bipartisan bill that would have provided 10 million children private health insurance through the SCHIP program. The bill cost an additional $35 billion over the next 5 years, and would have allowed us to receive 4 million more uninsured children. Instead, the President suggested a mere $5 billion increase, which would lead to more than 800,000 children losing their health insurance coverage.

Contrast that with the President's announcement last week that he was requesting an additional $189 billion in emergency funds over the next year for the war in Iraq, which was $42 billion higher than originally thought.

Fortunately, most Americans, Senators and Governors have caught on to the President's misplaced priorities. But Republicans here in the House continue to blindly follow this President. And just as they refused to join us last week in standing by these 10 million kids, House Republicans will most likely sign off on the President's war funding request without ever asking a single question.

PRAYER BAN OVERTURNED

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Madam Speaker, since the American founding, acknowledging God has been at the center of American experience. Today, for example, Congress opened our day in prayer. And thanks to the Seventh U.S. Circuit Court of Appeals, the Indiana General Assembly can open in prayer again.

In November of 2005, U.S. District Judge David Hamilton ruled that opening prayers in the Indiana House of Representatives could not mention Jesus or endorse a particular religion. Then-House Speaker Brian Bosma appealed the decision; and yesterday, in a 2–1 opinion, the court overruled that decision.

I commend the Seventh U.S. Circuit Court of Appeals, and I particularly rise to commend the tenacious and principled leadership of Republican minority leader Brian Bosma. Because of his efforts, Hoosiers can continue our long tradition of acknowledging God in the public square and in the well of the people's State House.

DEMOCRATS EXERCISE FISCAL DISCIPLINE

(Mr. KLEIN of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLEIN of Florida. Madam Speaker, this summer the Democrat-led House completed work on all 12 appropriations bills that fund the Federal Government for the upcoming year. Each bill restores fiscal responsibility, ensures that taxpayer dollars are spent wisely, and was passed with bipartisan support. Our bills will not add money to the Federal deficit because we kept our promise to adhere to pay-as-you-go rules.

Yesterday, financial watchdogs, including the Center for Budget and Policy Priorities, the Concord Coalition and the Committee for a Responsible Federal Budget praised the new Congress for our strict adherence to the PAYGO rules.

Contrast that praise with the Bush administration's record of turning record surpluses into record deficits. President Bush has borrowed more money from foreign nations than all 42 of his predecessors combined.

Yet the President threatens to veto our appropriations bills because he says they are excessive. Does he really oppose important investments in veterans health care, pay raises for active duty soldiers, funding for more cops on our streets, and funding for life-saving medical research?

Americans need to send a message to President Bush to get his priorities right.

NOT MUCH ACCOMPLISHED

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Madam Speaker, an analysis of the accomplishments under Democrat control here in Congress for the 110th Congress has shown that not much has been accomplished. Let's take a look at it. There have been a thousand votes taken this year. When you look at those thousand votes, only 106 bills have been signed by the President. What are those bills? Well, 46 were naming of post offices, public buildings and bridges. Not much accomplishment there. And 44 bills were noncontroversial. Some were actually Republican bills. They had strong bipartisan support.

Fourteen of these bills were reauthorization of existing law that the Republicans developed and were just continuing. And two substantial, serious bills that passed this House, the FISA bill and the Iraq supplemental, passed without one member of the Democrat leadership supporting it.

That is all that has been accomplished, and I think the American people need to know. Lastly, not one appropriation bill has been sent to the President and the fiscal year is already over.

OUR CHILDREN'S HEALTH

(Mr. CARNAHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARNAHAN. Madam Speaker, the Children's Health Insurance Program is one of the most effective government programs of the last decade. For an investment of just $3.50 a day, we can ensure health care for that child who would otherwise fall through the cracks because their family makes too much for Medicaid but can't afford private health insurance.

This small cost is significantly less than the cost we all bear when uninsured children fail to receive preventative care and end up in our emergency rooms. Yet the President and about 10 of his Republican House supporters are all that stand in the way of covering 10 million American children.

Our bipartisan legislation will allow children who are already eligible for the program to see the doctor of their family's choice so they don't have to resort to an emergency room for their primary care.

Madam Speaker, it is time for our Republican colleagues in this body to join us in ensuring that all American children have a healthy start in life. The future success of our Nation depends on the health and well-being of our children. It is time for the obstructionists to get out of the way. Let's get the job done.

FUND OUR VETERANS

(Mrs. DRAKE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. DRAKE. Madam Speaker, this is day 31. That is 31 days so far that our veterans have not had the use of the increased funding for their benefits in health care. That is $18.5 million a day not able to be used. And why? Because the Democratic leadership has decided to not complete this bill and send it to the President who has agreed to sign it.

In June, this House passed this appropriation bill with a $6 billion increase in a bipartisan manner. We were proud of our work and grateful to our veterans. On September 6, the Senate passed their bill. This work is done.

Our veterans are not pawns in a political game. They are heroes. America expects us to get the job done. America expects us to provide the best care for our veterans. Please join me in calling upon the Democratic leadership to put our veterans first and send this bill to the President now.

PROTECT SEXUAL TRAFFICKING VICTIMS

(Mrs. MALONEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MALONEY of New York. Madam Speaker, today the House Judiciary Committee will hold a hearing on the Trafficking Victims Protection Act. Sex trafficking has been called the slavery issue of the 21st century. And because girls and women are its victims, it is one of the great women's issues of our time.

The lives of trafficking victims are pure horror. These photographs that are in the current issue of Prism magazine include mug shots or photographs of trafficked women arrested for prostitution over periods ranging from 1 to no more than 3 years.

Better than words could ever convey, the photos display the destruction that takes place for hundreds of thousands of trafficked girls and women. Notice how when they were first arrested, they all look distinctly different. But in the end, they all look the same. You cannot tell the difference from one to the other. That is because they have been abused, psychologically battered, broken and devastated at the hands of their pimps.

We need effective prosecution strategies against their traffickers.

We need to protect the victims of the sex trade industry and punish the predators who exploit them.

DECREASE TAX BURDEN

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Madam Speaker, last week the Ways and Means Committee chairman outlined the provisions of what he has been calling the ''mother of all tax bills.''

The most important piece of information about this proposal is the bottom line. The proposal would mean a multi-trillion-dollar tax increase on the American taxpayer.

I think this is a good moment to take a step back and look at the philosophical difference between Republicans and Democrats. On this side of the aisle, we simply believe people know how to spend their money better than the government. But just look at the legislation passed in the House so far this year: $431 billion in tax increases have been included in bills that have already passed the House this year.

Madam Speaker, we should remember, no one knows how to spend their money better than the taxpayer. We should be looking for ways to decrease the tax burden, not increase it.

DEMOCRATS MOVE AMERICA IN NEW DIRECTION

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Madam Speaker, last November Democrats listened to the American people. But, unfortunately, President Bush continues to ignore them. Democrats promised to take our Nation in a new direction, and in many ways we have. We increased the minimum wage for the first time in a decade. We made Americans safer by fully implementing the 9/11 Commission recommendations. We also restored PAYGO rules so that Congress lives within its means.

We are proud of our accomplishments, but an intransigent President is blocking our efforts to do more. Lifesaving cures to debilitating diseases remain out of reach because President Bush vetoed stem cell research legislation. Our soldiers continue to referee a civil war in Iraq because President Bush vetoed a bill that would have brought our troops home next year. And millions of children cannot see the doctor of their choice because President Bush vetoed bipartisan legislation that would provide health insurance to 4 million more kids.

Madam Speaker, while it is frustrating to deal with a President who continues to ignore the results of last year's elections, congressional Democrats will continue to move America in a new direction.

□ 1030

PROVIDING FOR CONSIDERATION OF H.R. 3920, TRADE AND GLOBALIZATION ASSISTANCE ACT OF 2007

Mr. WELCH of Vermont. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 781 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 781

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 3920) to amend the Trade Act of 1974 to reauthorize trade adjustment assistance, to extend trade adjustment assistance to service workers and firms, and for other purposes. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. The amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill, modified by the amendment printed in part A of the report of the Committee on Rules accompanying this resolution, shall be considered as adopted. The bill, as amended, shall be considered as read. All points of order against provisions in the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate, with 40 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means and 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor; (2) the amendment in the nature of a substitute printed in part B of the report of the Committee on Rules, if offered by Representative McCrery of Louisiana or his designee, which shall be in order without intervention of any point of order except those arising under clause 9 or 10 of rule XXI, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

SEC. 2. During consideration of H.R. 3920 pursuant to this resolution, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to such time as may be designated by the Speaker.

The SPEAKER pro tempore. The gentleman from Vermont is recognized for 1 hour.

Mr. WELCH of Vermont. Madam Speaker, for the purpose of the debate only, I yield the customary 30 minutes to the gentleman from California (Mr. DREIER). All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Mr. WELCH of Vermont. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. WELCH of Vermont. Madam Speaker, I yield myself as much time as I may consume.

Madam Speaker, H. Res. 781 provides for consideration of H.R. 3920, the Trade Globalization and Assistance Act of 2007, under a structured rule. The rule provides 1 hour of debate with 40 minutes equally divided and controlled

by the chairman and ranking minority member of the Committee on Ways and Means and 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor. Finally, the rule makes in order a substitute amendment to be offered by Representative MCCRERY of Louisiana, or his designee.

Madam Speaker, let me begin by saying what we all know. Trade can be a very good thing for the economy of this country, and this Congress and this Member of Congress is committed to examining any trade agreement that is brought before this House in two ways: one, whether the terms and provisions will improve the economy of this country; and two, whether there is a capacity to share the benefits that that trade agreement will bring to this economy, across all sectors of it.

And what we have to acknowledge on trade agreements, and really is the underpinning of this legislation brought before the House, is that there is significant dislocation that can occur with trade. There can be winners and there can be losers, and in the adjustment to some of the consequences that have adverse impact on many of our workers across this country, we must have a substantial and vigorous and effective assistance program to help workers who are hurt regain jobs, regain employment, improve their incomes and be part of this economy and be part of the benefits, not just the downside of trade.

I want to thank Chairman RANGEL, Chairman MILLER, Congressman LEVIN and Congressman SMITH for their diligence in putting together a very strong adjustment assistance package that we will vote for later today. Among many others, they have been working on this bill for nearly a decade.

Trade adjustment assistance hadn't been started in this country until 1962; even though trade has been a very difficult political issue for this country from its inception, where there were debates about tariffs. And in our days of our history, tariffs were used basically to protect our industries and allow them to get a foothold. And then trade barriers were gradually reduced, and what we're seeing as that happens is an increase in gross domestic product and wealth, but we're also seeing an increase in dislocation among many workers, and some of that is concentrated in many of the old industrial sectors of our country.

This legislation recognizes that impact and is attempting to substantially increase our ability to address the dislocation. That underpinning is essential for the consideration of any future trade packages that will be brought before this House.

The update is long overdue. H.R. 3920 expands trade assistance to the service sector. That was denied under the previous adjustment assistance legislation, even as more and more of our economy has become service-related and even as service sector jobs are being off-shored. So this change in trade adjustment assistance is long overdue and very necessary.

Too often workers are not provided with the training that they need under current training assistance bill. This bill doubles the current training fund cap to $440 million. Beyond expanding coverage to more workers, this TAA improves their training opportunities, as well as the all-important health care benefits.

Many of the folks who have been adversely affected by trade have come from older industries with strong unions where they had substantial and very important health care benefits. This trade adjustment assistance extends them.

It also creates new benefits for industries in communities that have been hardest hit by creating 24 manufacturing redevelopment zones to encourage the redevelopment of communities that have been hit the hardest by manufacturing decline.

What this legislation starts to understand is that one of the responses that we must have strategically to the acceleration of globalization is the intensification of localization. Our economies that have been hardest hit have to rebuild in part from the bottom up using the resources that we have in those communities, keeping dollars in those communities that can be reinvested and then create jobs and wealth in those communities.

Madam Speaker, one of the things that has been happening over the past generation is a widening gap between the highest and lowest paid among us. According to a 2006 survey conducted by the Wall Street Journal, the case right now is that the average CEO in the United States earns 262 times the pay of the average worker. It means that the CEO earned more in one work day than an average worker earned in the entire year.

And we have to look at this discrepancy because one of the actual facts that has to be recognized, whatever your position on trade, is that there has been this widening gap, and historically, this country has always been its best when we've had economic policies that have shared the wealth that is generated by people working hard in this country.

H.R. 3920 is an important bill for our economic stability and workforce growth. It's also a bill about fairness.

Madam Speaker, I reserve the balance of my time.

Mr. DREIER. Madam Speaker, I yield myself such time as I may consume, and on this beautiful day in our Nation's Capital, I wish you and our colleagues a Happy Halloween and say that it is an honor to be here on what is a very important piece of legislation.

I thank my friend for yielding me the customary 30 minutes and want to congratulate him on his very thoughtful statement and say that I consider him to be one of the most able Members of the new class that has come in. I hope my saying that doesn't jeopardize his standing in the Democratic Caucus, but I do appreciate his hard work on the Rules Committee.

I was prepared, Madam Speaker, to rise in support of this rule, but I've decided to oppose the rule, and the reason I've decided to oppose the rule is not the fact that we, for the first time in the 110th Congress, have a substitute made in order on a bill that has come forth from the Committee on Ways and Means. I should say at the outset that last night our colleague Mr. HASTINGS of Ft. Lauderdale, Florida, said that there was only one instance in the 109th Congress where an amendment was made in order by the then-majority for the consideration of a Ways and Means Committee bill, when, in fact, we researched that overnight and found that there were five instances, five instances in the 109th Congress where our majority, in fact, made in order an amendment to a Ways and Means Committee bill.

Madam Speaker, I would, at this point, include in the RECORD that statement which outlines those measures that we have put forward.

Bills referred to the Committee on Ways and Means considered under ''structured'' or ''modified closed'' rules in the 109th Congress:

1. H.R. 8—Death Tax Repeal Permanency Act of 2005.
2. H.R. 6—Energy Policy Act of 2005.
3. H.R. 4297—Tax Relief Extension Reconciliation Act of 2005.
4. H.R. 4437—Border Protection, Antiterrorism, and Illegal Immigration Control Act of 2005.
5. H.R. 4157—Health Information Technology Promotion Act of 2005.

Madam Speaker, so I do say that here we are on Halloween for the first time in this 10-month period of time having a substitute made in order, and I was, as I said, prepared to support the rule, but I've decided to oppose it. I decided to oppose it because of an article that I read in the Roll Call this morning which made it very clear that the Democratic majority is once again going down a path that they abandoned last summer, I'm happy to say, but they've unfortunately brought it to the forefront again, and that is the notion of casting aside the opportunity for the single bite at the apple that the minority has, and that is to offer the motion to recommit on measures.

Now, I know, Madam Speaker, that's a very inside baseball discussion, but our colleagues know that the motion to recommit is something that was often denied the Republican minority during the four decades before 1994, and when we won the majority in 1994, we made it very clear that we would, in fact, guarantee the minority, guarantee the minority a right to a motion to recommit, meaning at least one bite at the apple on a measure, even if all amendments were denied.

Now, this report has come forward that the distinguished Chair of the Committee on Rules, Ms. SLAUGHTER of

Rochester, New York, is in the midst of a discussion, and she said in this quote in the paper that she wants to not say that it is imminent but she wants to get it right, getting it right, shutting down the opportunity for the minority to have that single opportunity to address an issue in the bill. And so the mere fact that this has come to the forefront again, Madam Speaker, has led me to come to the conclusion that I can't be supportive of this rule that we're debating here today.

I will say that I am in opposition to the underlying legislation itself, but as I said, I'm very happy that we have the opportunity to debate a minority substitute for a major package from the Committee on Ways and Means.

Now, I mention this nearly 1-year period of time we've gone through, completed 10 months here, and we saw at the beginning of the Congress this wonderful document that I'm sure you've seen, Madam Speaker, that was put forward by Speaker PELOSI. It's entitled ''A New Direction for America.'' Now, in this document, she says that basically every measure that is considered here on the House floor, and I quote from this document. It says, ''should include procedure that allows an open, full and fair debate consisting of a full amendment process that grants the minority the right to offer its alternatives, including a substitute.''

Now, Madam Speaker, that was what was stated by Speaker PELOSI at the beginning of this Congress, and today, Halloween 2007, October 31, marks the first time, the first time in the 110th Congress that this opportunity for the minority has been availed us.

□ 1045

I will say that we have repeatedly considered in the Rules Committee Ways and Means measures, and we have repeatedly asked for a minority substitute to be made in order so that our constituents, and this has nothing to do simply with party, this has to do with the right of each Member of Congress who represents 600,000 and some people to have their opportunity to be heard here. Unfortunately, throughout this entire year, up until this point, every request for that minority substitute has, unfortunately, been denied.

I am happy that we are finally, today, allowing what I know will be a very thoughtful substitute that will be debated by my California colleague, Mr. MCKEON, the ranking Republican on the Committee on Education and Labor, as well as the ranking Republican on the Ways and Means Committee, our friend from Louisiana (Mr. MCCRERY).

I do commend my colleagues on the Rules Committee, the majority on the Rules Committee, for taking this first step. I hope very much that it is a sign of a new day at the Rules Committee. I hope that we will have this greater transparency, openness and bipartisanship which we were promised at the beginning of this year.

The underlying bill was actually a good place to start with this, in part, because the issue in question is so important, and, in part, because the proposal that has been reported from the Ways and Means Committee is in such dire need of improvement, that's why I believe that this substitute is one which should be able to enjoy very strong bipartisan support.

Madam Speaker, as you know very well, and you have been involved in the trade debate since you have come to the Congress, and I suspect you were probably interested in it even before you came to the Congress, the issue of trade adjustment assistance is a very, very critical and important and a very well-intentioned program that does need to be reformed and modernized in order to effectively help American workers compete in the worldwide marketplace. My friend from Vermont talked very thoughtfully about the issue of globalization and the fact that we have seen a dramatic improvement in our gross domestic product growth.

In fact, just this morning, I know it surprised many, we got the report that we have a 3.9 percent GDP growth rate annualized, the report that came from the Commerce Department this morning, demonstrating that opening up new markets and developing opportunities for U.S. workers and consumers has, in fact, been a positive. I will acknowledge, and I know we are going to be hearing a lot of sob stories through this debate, and, frankly, I am sympathetic with those sob stories, the stories about people who have been victimized by trade.

But I have got to say that one of the sad things that I have observed in the debate on trade is that it is blamed for virtually every ailment of society. In fact, I often am reminded of the fact that one time a constituent came up to me a couple of years ago and said we didn't have a single illegal immigrant coming from Mexico into the United States until you passed the North American Free Trade Agreement.

We know very well that the North American Free Trade Agreement has actually created a third of a trillion dollars in cross-border trade between the United States and Mexico. I argue that the problem of illegal immigration would have been dramatically worsened had we not put into place the trade agreement which has improved the quality of life and the standard of living in both countries.

I will say that the middle-class population in Mexico today is larger than the entire Canadian population, and that is by virtue of the fact that we have seen economic growth take place in Mexico that is a by-product of the North American Free Trade Agreement.

But having said all of that, as we will continue to rage on with the debate on the benefits of trade as we face, I hope, in the coming weeks and months the trade agreements for Peru, Panama, Colombia and South Korea, I will recognize that there are some sectors of our society that have not benefited from trade, and that's why we are here today. We are here today to recognize that it is very, very important for us to do everything possible to address the concerns of those workers who have been negatively impacted by trade.

Unfortunately, what the Democrats have done is to take an inefficient program and compound the inefficiencies and inadequacies and block all efforts to build more accountability into the system, which we all believe is very important. Then they intend to self-execute the fusion of this ill-advised proposal with another bill that imposes massive new regulations on American job creators. Perhaps most troubling is that this bill opens the door for TAA benefits to be granted to illegal immigrants. If we look at that problem, potentially having illegal immigrants benefiting from the program, if we look at the regulatory burden which is going to impinge on those who are creating jobs, I think we have got to recognize that we have a lot of work to do on that. I believe the substitute is the best answer.

The Democratic majority has tried to distract us all from the mess they have created by throwing billions of dollars at the problem. Of course, since money sadly does not grow on trees, the Democratic majority has once again resorted to raising taxes to pay for their boondoggle that won't actually do what they claim, in this case helping American workers deal with job loss. In fact, by saddling businesses, large, medium and small, with hefty new regulations, they are further diminishing our economic competitiveness and, in fact, exacerbating the problem that they purport to address with the measure that they have brought forward.

How the Democratic majority can say with a straight face that they want to help workers and yet are determined to shut down the job creators is beyond me. Whoever said irony was dead should just turn to C–SPAN. It's alive and well here on the House floor.

The challenges facing Americans in 2007 are very, very different than the challenges of just a few years ago, let alone when the TAA was established. Fundamentally, we are still striving for the same things we always have, good jobs that allow us to provide for our families and ensure a better life for our children. But we are achieving these goals in very different ways, and facing very different obstacles. The reality is that opportunity and challenge often go hand in hand.

One enterprising young entrepreneur may be very successful at tapping into the global economy, finding clients and contractors all over the world, allowing businesses to grow here at home and creating lots of good, well-paying jobs for Americans. But the company down the street might not navigate the effects of globalization so successfully. It may find itself struggling to compete with Indian software designers or

Polish manufacturers or Australian marketing firms. The opportunities are limitless, but the challenges are broad-based. Limiting our focus to just those whose jobs are directly impacted by trade is a hopelessly narrow and simplistic approach. Trade is just one factor in the ever-churning economy that we face.

As I said, unfortunately, there is this tendency by many, the moment they witness any kind of change, the moment they witness any kind of displacement, the moment they witness any kind of problem at all, they want to blame it on trade, and that is just plain wrong.

There are new technologies growing exponentially and changing the nature of jobs and job creation irreversibly.

There are new competitors halfway across the globe that are in the marketplace whether we trade with them or not. There are 100 million Chinese workers who have been lifted out of abject poverty and are entering the middle class for the first time ever. Madam Speaker, you know as a proponent of trade that these are all good things, but we have to change our thinking in a very broad way if we don't want to drown in a sea of changes that we aren't prepared to navigate.

We need better math and science education from kindergarten all the way up. We need to make adult continuing education a part of everyday life. We need to enhance the financial literacy of American families. We need an economic agenda that is focused on growth and competitiveness, including opening up new markets for American producers and service providers. In other words, we need policies that assure that individuals are always finding new and better job opportunities.

When all else fails, we need worker assistance programs that help all workers get the training they need throughout an entire lifetime in an effective way that actually allows them to continue to climb up the economic ladder. We need programs that help to keep workers competitive, regardless of why they have lost their jobs. Whether the blame lies with technology, lost competitiveness, or simply dying industries that are going the way of blacksmiths and buggy whip makers, the only thing that matters is that every American can find a job and remain upwardly mobile throughout a lifetime.

As I said, Mr. MCCRERY and Mr. MCKEON have crafted a very thoughtful substitute that would work to accomplish just that. It would integrate trade adjustment assistance into other Federal worker programs so that we can help all workers facing tough times to get the training they need to remain competitive. Let me say again, we are very, very committed to ensuring that those workers who are facing tough times because of displacement that has come about due to trade agreements, that their concerns and their needs are addressed.

It would integrate trade adjustment assistance, as I said, in other Federal worker programs. In particular, it focuses on the Workforce Investment Act which has, as we all know, been very, very effective. This substitute would provide greater flexibility for workers so that they can actually get their training and education while they work, over a longer period of time. It would bring trade adjustment assistance into the 21st century, broadening its focus to reflect the new realities of the worldwide marketplace. It would ensure that the program remains accountable so that we can assure the taxpayers that their money is being spent in an effective and an efficient way. It would do all this without raising a single tax or creating any additional barriers to innovation and entrepreneurship.

This very thoughtful substitute is based on the premise that broad, far-reaching challenges demand broad, far-reaching solutions. And it is based on the very logical and simple fact that workers don't benefit when government puts job creators out of business. The Democrats' bill, on the other hand, takes a very narrow and flawed approach, while drastically increasing the money that we are wasting. Only the Democrats could manage to think small and spend big all in the same bill.

I hope today we can have a meaningful debate on the important issue of enhancing the competitiveness of the U.S. economy and ensuring that American workers, all workers, have access to new and better opportunities. I believe that our substitute gets us closer to that goal, and I anxiously look forward to the debate on this proposal.

With that, I reserve the balance of my time.

Mr. WELCH of Vermont. Madam Speaker, I just want to read one section from the bill to allay the apprehensions about benefits going to illegal aliens: section 226, Restriction of Eligibility For Program Benefits, states very specifically that ''no benefit allowances, training or other employment services may be provided under this chapter to a worker who is an alien, unless the alien is an individual lawfully admitted for permanent residence in the United States.''

At this time, Madam Speaker, I yield 4 minutes to the gentlewoman from California, a member of the Rules Committee, Ms. MATSUI.

Ms. MATSUI. I thank the gentleman from Vermont for yielding me time.

Madam Speaker, I rise today in strong support of the rule and the underlying legislation, the Trade and Globalization Assistance Act of 2007.

I want to congratulate Chairman RANGEL and members of the Ways and Means Committee on bringing this bill before us.

In 1962, Congress and President Kennedy created the Trade Adjustment Assistance Program to protect American workers and communities adversely impacted by international trade.

□ 1100

Back then, our Nation enjoyed a large trade surplus, our manufacturing industry was thriving, and our economy was moving forward.

By establishing the TAA program then, our Nation had the foresight to recognize that even when economic times were good, international trade and development could also cause a rift in our workforce and in our communities.

Now it is our time to provide the foresight for future generations of workers and companies who will face the continued pressure of globalization. The mark of a strong Nation is this ability to create a vision for itself and to adapt to that vision.

Like our economy, the TAA must change and evolve to meet the new challenges of the day. Under current law, the TAA program only offers benefits to those workers who lost their jobs in the manufacturing industry due to international trade.

Today, no sector in our economy is safe from outsourcing or trade activities. We are seeing IT jobs, call center jobs, and other U.S. service jobs move abroad.

Our commitment to the American worker is more important now than ever before. It is critical to continue to improve the benefits for displaced workers. But it is also essential that we not ignore other sectors of the economy that have been hard hit by outsourcing or trade competition.

That is why I'm pleased that the bill before us today expands current TAA coverage to include the service workers. More than 70 percent of our workforce today is in the service industry. Updating the TAA program to reflect this shift in the workforce is essential to the long-term health of our country.

This bill also improves health care benefits in the TAA program to make it a more affordable option for our workers. This bill also doubles the current funding to better train and relocate displaced workers.

Madam Speaker, the impact of globalization on our economy is not limited to workers. These affected workers reside in communities that experience massive job losses due to unfair trade practices. This bill attempts to help those communities get back on their feet.

Now more than ever, the Trade Adjustment Assistance Program is needed to position our workforce and economy at the forefront of an increasingly global economy. This bill moves us forward in the right direction.

Madam Speaker, Congress needs to be a partner to the communities in which we serve. This bill lays the groundwork for that. The Trade and Globalization Assistance Act of 2007 represents a big step in the right direction.

Mr. DREIER. Madam Speaker, I'd like to reserve the balance of my time, if I might.

Mr. WELCH of Vermont. Madam Speaker, I yield 5 minutes to the gentlewoman from Ohio (Ms. SUTTON), a member of the Rules Committee.

Ms. SUTTON. Madam Speaker, I support the TAA reauthorization and appreciate the important improvements this legislation makes in the program. But, unfortunately, there's a larger problem at work, and TAA only addresses the symptoms, not the cause.

So-called free trade has been anything but free. Our current trade policies have been devastating for communities in northeast Ohio and across this Nation. One only has to look at our record trade deficit and this growing TAA program to see this reality.

Madam Speaker, people across this country know that our trading system is broken. The fact is TAA became necessary because this country kept entering into unfair and harmful trade agreements that cost American workers their jobs and hurt businesses and communities.

While reauthorizing and improving the TAA program is important, what our working families really need are trade policies that do not jeopardize American jobs in the first place.

In just the last 7 years, we've lost more than 3 million manufacturing jobs in this country, and more than 200,000 in Ohio alone. Some estimates attribute more than 50,000 of Ohio's job losses directly to NAFTA. And we've seen the consequence of this job loss in the record numbers of families in foreclosure, and in families falling off of the health care rolls, and families sustaining benefits going out the window. These are families full of proud, hard-working Americans who have had their futures and opportunities undercut by our trade policies. It doesn't have to be that way. This country owes these workers the kind of assistance TAA aims to offer, because we must remember that very often it was our Nation's broken policies that set in motion the loss of their jobs. And because of this, it's this government's moral responsibility to try and help them land on their feet.

But wouldn't it have been better if those jobs had never been lost? And wouldn't it be better, Madam Speaker, to fix our broken policies so that they no longer allow other countries to engage in unfair trade tactics that leave U.S. businesses at a disadvantage and U.S. workers out of jobs?

This reauthorization bill recognizes the disastrous consequences that poorly conceived trade agreements such as NAFTA, CAFTA and the proposed Peru, Colombia, Panama and South Korean free trade agreements have had and will continue to have for our manufacturing and service industries.

Make no mistake. Our policies must not just sound good on paper. They must work for our businesses, our workers, our farmers, and our communities. Indeed, they must work and be fair to this country. If this Congress does not act on this reality which is being felt in places like Lorain and Akron and in districts across this country, we'll need more and more TAA programs every year as more and more American workers are let down by a broken and mismanaged system.

Madam Speaker, all the good intentions and helpful programs in TAA cannot disguise the fact that we're going about things backwards. We should start with American workers and communities, and end with multinational corporations, not the other way around. We must make sure that our trade policies do not leave our businesses and workers at an unfair disadvantage or provide incentives to move jobs offshore.

Many displaced workers have been turned away from TAA in Ohio in the past, due to chronic underfunding and complex eligibility rules and requirements. And for others it's been very difficult finding new good-paying jobs to support their families. In Ohio, only 65 percent of workers laid off between 2003 and 2005 had found new jobs by 2006, and only two-thirds of those jobs were remotely of similar pay.

And while the improved funding and expansions provided by this bill are welcome and certainly overdue, the most important message we should take away from this TAA reauthorization is the fact that it recognizes how much damage has been caused by our broken trade policies.

We should reauthorize this program, and I certainly appreciate the improvements in the bill. But as I said earlier, TAA only addresses the symptoms, not the cause.

We know what the problems are, and American workers and businesses are facing them every day. It is time for this Congress to step up and recognize the reality that millions of Americans are facing these issues due to our broken trade policies and finally take real and effective action.

Mr. DREIER. Madam Speaker, I'd like to continue to reserve the balance of my time.

Mr. WELCH of Vermont. Madam Speaker, I yield 4 minutes to the gentleman from New York (Mr. ARCURI), a member of the Rules Committee.

Mr. ARCURI. Madam Speaker, my colleague from the Rules Committee talked about the fact that the American people would hear sob stories. Well, I don't know if I have a sob story to tell, but I certainly have a true story to tell about the people in my district and how they have been affected by trade.

I rise today in strong support of the rule and the Trade Globalization Assistance Act. Unfortunately, it seems some of my colleagues only want to focus on the long-term effects of trade and globalization and neglect the short-term consequences.

Trade clearly creates an ebb and flow of jobs coming and going, and we have been hearing that. The problem in my district is, while the jobs have been going, they have not been coming back. The high-tech, the high-quality, high-paying jobs have not come back to my district. We have only seen the grave loss of jobs.

Over the last 30 years, my upstate New York district has been devastated by job loss. The fact is that since 1974, employees of businesses in my district have applied for trade adjustment assistance 227 times.

This is a list of some of the companies that have applied. They're companies like Utica Cutlery, Chicago Pneumatic, Oneida Ltd., General Electric, IBM, Smith Corona, Burrows Packaging. These were keystone companies in upstate New York economy, and in most cases, these companies ended up closing their doors.

It's important to look at commercial air travel in our district and how that's been affected by the loss of business as a result of trade. In our district, the Syracuse Airport during the 1970s serviced about 1.6 million flights a year. The Oneida County Airport, 750,000 flights a year. Today the Syracuse Airport has 1.2 million flights, and the Oneida County Airport is closed. That's well over a million flights a year that used to fly out of central New York that no longer do. The reason? The loss of jobs, the loss of business, and the loss of people.

The drastic loss of business and slow recovery creates a dilemma that the Trade and Globalization Assistance Act seeks to address. Most notably, the legislation provides for creation of 24 manufacturing redevelopment zones to encourage the redevelopment of communities that have suffered substantial decline in their manufacturing base.

The legislation also doubles the amount of training funds from $200 million to $440 million, so that workers eligible for TAA training are no longer turned away because the program has been inadequately funded.

Madam Speaker, we have to be realistic about trade and we need to empower our workers with adequate training services. The Trade and Globalization Assistance Act is not a government handout. It's not wasteful Federal spending. It's a way to be helpful to Americans who now need our help. And after all, isn't that what government is all about, the ability to help people who need it when they need it?

This is a good act, this is a good rule, and it's a very good bill. It's a commonsense plan to address the short-term consequences and long-term effects of trade globalization.

Mr. DREIER. Madam Speaker, I yield myself such time as I may consume.

And I would say to my good friend from New York that I think he's taken out of context my use of the term ''sob story.''

Now, as I said, I am a strong proponent of trade adjustment assistance and want to do everything that I possibly can to ensure that workers who have been negatively impacted by any kind of trade agreement are, in fact,

able to receive the training and the benefits that can help them improve their standard of living and their quality of life.

But, Madam Speaker, when I was using the term ''sob story,'' what I was talking about is the fact that time and time again we have demands made on those job creators out there, demands made of job creators which undermine their ability to create jobs and opportunities for people so that they can succeed. And then we, unfortunately, are faced with complaints coming from those people who are negatively impacted by the demands of policies that they have made to increase the regulatory burden, to increase the tax burden, which prevents those who are struggling to create new opportunities for U.S. workers from having an opportunity.

It looks like my friend would like me to yield to him. I am happy to yield to my friend.

Mr. ARCURI. You talked in your statement about the increase in the middle class of China, and that's a wonderful thing. But I'm concerned about the middle class here in this country.

Mr. DREIER. If I can reclaim my time, Madam Speaker, the point that I try to make on trade is that it is a win-win. As I said in my statement, we have just this morning gotten the news of a 3.9 percent Gross Domestic Product growth rate, annualized, which is the largest growth rate that we've had in a year and a half.

Now, I recognize that we have problems out there with the subprime market. We have lots of difficulties with which we're trying to contend.

I think it's very important, Madam Speaker, for us to note that as we deal with these problems they are not trade related. They are not trade related. In fact, the standard of living, quality of life, 3.9 percent GDP growth rate that we're enjoying is due to the fact that we are in the midst of prying open new markets for U.S. workers so that they can sell to them.

As I said in the Rules Committee last night, Madam Speaker, 96 percent, 96 percent of the world's consumers are outside of our borders. The world has access to our consumer market. The world can sell to the consumers in New York, in California, and in other States as well. That has helped improve the quality of life and the standard of living for the American people. And so as that has happened, we have access to our market, but unfortunately, those other markets around the world are not as open as ours.

What is it that these agreements do that have been negotiated with Peru, Panama, Colombia and South Korea, and I hope, Madam Speaker, that we can do many more of these agreements. What they do is they pry open their markets for U.S. goods and services.

□ 1115

For example, in Colombia, the tariff rate on U.S. goods going into Colombia is 11 times greater than the tariff rate on Colombian products coming into the United States.

So, Madam Speaker, what we are saying is we want to create opportunities for U.S. workers so that they can export more. And, yes, if there is some displacement, we want to do everything that we possibly can to ensure that those workers who are negatively impacted by trade are, in fact, able to be trained and have the assistance that they need.

With that, I would like to inquire of the Chair how much time is remaining on each side.

The SPEAKER pro tempore. The gentleman from California has 8 minutes. The gentleman from Vermont has 11½ minutes.

Mr. DREIER. Madam Speaker, I reserve the balance of my time.

Mr. WELCH of Vermont. Madam Speaker, I yield 1 minute to the gentleman from New York (Mr. ARCURI).

Mr. ARCURI. I would just simply say that those are fine words and 3.1 percent is wonderful.

Mr. DREIER. It's 3.9.

Mr. ARCURI. I'm sorry, 3.9 percent. The problem is that that 3.9 percent can go to the people who are unemployed and, frankly, do nothing whatsoever for them because they are out of work as a result of loss of jobs, the people in upstate New York, the people in Ohio, the people in the Northeast who have lost their jobs as a result of trade. You can talk about what the percentages are and how much the GDP grew, but the fact of the matter is they have lost their job and they are out of work. Today we are here to help those people that have lost their job by supporting this rule and by passing this bill because this will help them in the short term to make it until they find new employment.

Mr. DREIER. Madam Speaker, will the gentleman yield?

Mr. ARCURI. I yield to the gentleman from California.

Mr. DREIER. I thank my friend for yielding.

Madam Speaker, I will say I completely concur with my friend on the need for us to ensure that those who are negatively impacted by trade are, in fact, benefited.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. DREIER. Madam Speaker, I yield myself such time as I may consume.

The point that I am trying to make is that people who are impacted on a wide range of other factors that are not trade related are not those who should be directly benefiting from this.

We need to look at ourselves, what it is that we as a Nation can do to ensure that those individuals about whom my good friend has just spoken, who are laid off and are looking for new opportunities and want to have an opportunity to succeed, we need to look at what policies we can pursue in ensuring that we create the kind of opportunities those people deserve. Because right now government policies with a tax and regulatory policy and a lack of opportunity to sell in new markets around the world, because we have not proceeded with those trade agreements, are the things that are jeopardizing the ability for those U.S. workers to find the kind of opportunities they need.

With that, Madam Speaker, I reserve the balance of my time.

Mr. WELCH of Vermont. Madam Speaker, I have no further requests for time. I will reserve the balance of my time until the gentleman has closed for his side and yielded back his time.

Mr. DREIER. Madam Speaker, I yield myself the balance of my time.

A couple of things. At the outset, Madam Speaker, I referred to a statement that was made by my good friend from Fort Lauderdale on the Rules Committee last night when he said that there was only one opportunity in the 109th Congress for an amendment to be made in order for a Ways and Means Committee bill when, in fact, we researched that, as I said, and Mr. HASTINGS was absolutely wrong when he said it. We have five instances in the 109th Congress where we, in fact, did make in order amendments for Mr. RANGEL on the Ways and Means Committee for the consideration of measures.

Also stated last night, unfortunately, our friend from Worcester (Mr. MCGOVERN) made a statement that all trade adjustment assistance measures have been considered under suspension or closed rules. There was an item that was considered under suspension. As I said, if it's considered under suspension and passed, it means that there is clearly a strong bipartisan consensus because, as our colleagues know, Madam Speaker, one is required to have a two-thirds vote to make that happen.

But there was another bill that dealt with this issue. It was H.R. 3090, the Job Creation and Worker Assistance Act of 2002, and it was considered under a structured or modified closed rule in the 107th Congress and it provided then-Ranking Member RANGEL with an amendment in the nature of a substitute. So I just think it's important for us to make clear that we, in fact, did provide those kinds of opportunities.

Madam Speaker, as I said, I was prepared to support this rule. I do believe that it is a monumental accomplishment that, as we have gotten to October 31, Halloween, we are for the first time seeing a substitute made in order for the ranking member of the Ways and Means Committee, and I congratulate the Democratic majority, after having made this promise in January in a New Direction for America, that great document put forward by Speaker PELOSI in which the promise was made that amendments, open, full, fair debate, including a substitute, and it has taken us until October 31 before that has happened, but I celebrate,

Madam Speaker, the fact that we have finally gotten to this point. That was what was going to lead me to be supportive of this rule.

But then I picked up the Roll Call newspaper, one of our affectionately called ''rags'' on Capitol Hill here. On page 3 I looked, and I have a printout of it right here, the article goes through a press conference that the majority leader held yesterday and a statement by the very distinguished Chair of our committee, the gentlewoman from Rochester (Ms. SLAUGHTER), in which she said the following: ''Nothing is imminent. We want to take our time and do it right.''

Madam Speaker, what she is referring to is this quest that was launched by the Democratic majority to undermine the minority's right to offer a motion to recommit. Now, again, as I said earlier, this is all inside baseball, but the motion to recommit means that nearly half of the American people, through their elected representatives, Democrat or Republican, have a right to offer a motion to recommit.

There have been some very thoughtful motions to recommit, 21, 22 of them that have succeeded in this Congress. Madam Speaker, we are in the minority. They would not have succeeded had we not seen a large number of Democrats join, and in a number of cases they have been passed nearly unanimously on recorded votes. So now with what are described as simply political moves, which are, interestingly enough, very thoughtful proposals that have been propounded by the Members of the minority, we are being told that once again the majority is looking to deny nearly half the American people the right to be heard on one single instance. So for that reason, I am going to encourage my colleagues to vote ''no'' on the rule.

I am going to ask Members also to oppose the previous question on the rule so that I can amend the rule to allow the House to go to conference with the Senate on the Military Construction and Veterans Affairs appropriations bill, which passed this House with overwhelming bipartisan support.

There have been reports that the majority leadership is planning on playing a political game with our veterans and our men and women on the front lines by wrapping the Defense bill and the Veterans Affairs bill into the Labor, Health and Human Services bill.

The Military Construction bill could have been sent to the President's desk weeks ago, but the Democratic leadership was content to play political games with America's kids. All we have asked this majority to do is to simply come to the table and I am asking here today that we oppose the previous question so that I can make in order an amendment that would allow us to proceed with this.

I ask unanimous consent that the text of the amendment and extraneous material be inserted in the RECORD just prior to the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DREIER. Madam Speaker, we are here discussing trade adjustment assistance, and it is designed to ensure that, we as an institution, will have an opportunity to, as I said earlier, open up those very important markets around the world. They're all relatively small, and the United States of America has a $13.3 trillion economy, the largest economy the world has ever known. We have lots of things that are trade-related that are beneficial to the United States of America. First and foremost is our national security. I think it is critical for us to proceed with passage of the Panama, Peru and Colombia free trade agreements for the security of this hemisphere. Similarly, the Korea agreement is very important because we all know about the challenges that exist on the Korean peninsula, and engaging in greater economic exchanges between and among these countries is very important for our Nation's security.

At the same time, Madam Speaker, it is important that we do what we can to ensure that we have the very important trade adjustment assistance for those Americans who are negatively impacted by trade.

With that, I am going to urge a ''no'' vote on the previous question. And if by chance the previous question proceeds, I am going to urge a ''no'' vote on this rule because of the kinds of things that the new majority is trying to do to undermine the rights of nearly half the American people.

With that, I yield back the balance of my time.

Mr. WELCH of Vermont. I thank the gentleman from California, my good friend and colleague on the Rules Committee, for his kind words and his usual vigorous argument for the point of view represented on his side.

A couple of things. One, this is a good opportunity for the House to have a full and fair debate on the substance of this legislation and on the substitute. We will have that debate, we will have the vote, and we'll see which side prevails. So I am delighted that all Members of the House are going to have a full and fair opportunity to make their case.

Second, before we get to the specific details on what is contained in this trade adjustment assistance, there is really a bottom line that has to be acknowledged and it's this: that the road to prosperity has to be built on a foundation of fairness. What has happened in this country, despite the economic growth of 3.9 percent most recently, the highest gross domestic product in the history of the world, over $13 trillion, is that average, everyday working people are falling farther behind.

We have had the greatest disparity in wealth in this country since the 1920s, and there is a fundamental question that we have to answer, and it's this: Are we going to include all Americans in the benefits of a rising economy, or are we going to pursue policies that allow for the intensification of that widening gap between the very wealthy and everyone else?

Our party has made a commitment to the basic proposition of democratic fairness that requires everyone to have an opportunity to participate in the benefits of a rising and strengthening economy. And that hasn't happened. But what we have done with the legislation we have brought before this House is essentially tried to build that foundation of fairness and provide a new direction on our economic agenda, one that includes all Americans.

Let me just give, Madam Speaker, a few examples. We raised the minimum wage, something that hadn't been done in over 10 years. We had people working harder, making less, many of them paying more in taxes because of the Social Security payroll tax increases than at any time in history. In the average families, they found themselves working two and three jobs in an effort to pay the light bill, in an effort to pay the fuel bill, losing health care.

We increased access to college education by taking a free ride away from the international banks that were literally getting a taxpayer guarantee in subsidized profits and gave that benefit to students so that their student loans were cut in half in the interest rate, from 6.8 to 3.4. We passed the child health care, which extends benefits to working families, basically, to 10 million children throughout this country, something our kids need.

□ 1130

And these are oftentimes the children of the working poor. These are folks working hard. They would rather not have to have any help, but they can't afford health care. We passed prescription drug price negotiation. Instead of giving away guaranteed legislated profits to the drug companies, we, in the House, it's languishing in the other body, required price negotiation so that we can get the benefit of lower prices that we're entitled to because of bulk purchasing.

We passed many provisions that are going to strengthen our small businesses across this country because we know the small business is a job creator. And we stood up to an administration, at a time when our veterans and our soldiers are doing more for this country than in recent memory, by passing the highest increase in the budget for veterans in the history of the Veterans Administration.

The bottom line here is that this Congress, this leadership has made a commitment to a new direction. And the new direction is the old-time values of making certain that workers, average families, and communities that are fully engaged as American citizens participate in the benefits of our economy.

Trade adjustment assistance is one more brick in that foundation of fairness. We can't have trade agreements

that are tilted so that the benefits are not shared and the burdens of dislocation are not shared.

So, Madam Speaker, I urge a ''yes'' vote on the previous question on the rule.

The material previously referred to by Mr. DREIER is as follows:

AMENDMENT TO H. RES. 781 OFFERED BY MR. DRIER OF CALIFORNIA

At the end of the resolution, add the following:

SEC. 3. The House disagrees to the Senate amendment to the bill, H.R. 2642, making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2008, and for other purposes, and agrees to the conference requested by the Senate thereon. The Speaker shall appoint conferees immediately, but may declare a recess under clause 12(a) of rule I for the purpose of consulting the Minority Leader prior to such appointment. The motion to instruct conferees otherwise in order pending the appointment of conferees instead shall be in order only at a time designated by the Speaker in the legislative schedule within two additional legislative days after adoption of this resolution.

___

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Democratic majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308–311) describes the vote on the previous question on the rule as ''a motion to direct or control the consideration of the subject before the House being made by the Member in charge.'' To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that ''the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition'' in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: ''The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition.''

Because the vote today may look bad for the Democratic majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from Congressional Quarterly's ''American Congressional Dictionary'': ''If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business.''

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Democratic majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

Mr. WELCH of Vermont. Madam Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mrs. TAUSCHER). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DREIER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on ordering the previous question will be followed by 5-minute votes on adoption of H. Res. 781, if ordered, and approval of the Journal.

The vote was taken by electronic device, and there were—yeas 224, nays 190, not voting 18, as follows:

[Roll No. 1021]

YEAS—224

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shadegg
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NAYS—190

Aderholt
Akin
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lampson
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shays
Shimkus
Shuster
Simpson
Smith (NE)

Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—18

Alexander
Bachmann
Blackburn
Brady (TX)
Burgess
Carson
Cooper
Cubin
Davis, Lincoln
Dingell
Fortenberry
Jindal
Paul
Renzi
Schiff
Van Hollen
Weller
Wilson (OH)

□ 1154

Mr. SESSIONS and Mr. TIBERI changed their vote from ''yea'' to ''nay.''

Mrs. NAPOLITANO and Mr. SMITH of Washington changed their vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. WELCH of Vermont. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 222, noes 193, not voting 17, as follows:

[Roll No. 1022]

AYES—222

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NOES—193

Aderholt
Akin
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lampson
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Taylor
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—17

Alexander
Blackburn
Carson
Cooper
Cubin
Davis, Lincoln
Dingell
Fortenberry
Jindal
Paul
Renzi
Roybal-Allard
Schiff
Van Hollen
Weldon (FL)
Weller
Wilson (OH)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1203

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the unfinished business is the question on agreeing to the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MANZULLO. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 222, nays 190, answered ''present'' 2, not voting 18, as follows:

[Roll No. 1023]

YEAS—222

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Buchanan
Butterfield
Capps
Capuano
Cardoza
Carnahan
Castle
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Gerlach
Gillibrand
Gonzalez
Goode
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Kirk
Klein (FL)
Kucinich
Kuhl (NY)
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon

Michaud	Ross	Stark
Miller (NC)	Rothman	Sutton
Miller, George	Roybal-Allard	Tanner
Mollohan	Ruppersberger	Tauscher
Moore (KS)	Rush	Taylor
Moore (WI)	Ryan (OH)	Thompson (MS)
Moran (VA)	Salazar	Tierney
Murphy (CT)	Sánchez, Linda T.	Towns
Murphy, Patrick	Sanchez, Loretta	Tsongas
Murtha	Sarbanes	Udall (NM)
Nadler	Schakowsky	Velázquez
Napolitano	Schwartz	Visclosky
Oberstar	Scott (GA)	Walberg
Obey	Scott (VA)	Walz (MN)
Olver	Serrano	Wasserman Schultz
Ortiz	Sestak	Waters
Pallone	Shea-Porter	Watson
Pascrell	Sherman	Watt
Pastor	Shuster	Waxman
Payne	Sires	Weiner
Perlmutter	Skelton	Welch (VT)
Pomeroy	Slaughter	Wexler
Price (NC)	Smith (WA)	Wilson (NM)
Rahall	Snyder	Woolsey
Rangel	Solis	Wu
Reyes	Space	Wynn
Richardson	Spratt	Yarmuth
Rodriguez		

NAYS—190

Aderholt	Franks (AZ)	Pearce
Akin	Frelinghuysen	Pence
Altmire	Gallegly	Peterson (MN)
Bachmann	Garrett (NJ)	Peterson (PA)
Bachus	Giffords	Petri
Baker	Gilchrest	Pickering
Barrett (SC)	Gingrey	Pitts
Barrow	Goodlatte	Platts
Bartlett (MD)	Gordon	Poe
Barton (TX)	Granger	Porter
Biggert	Hall (TX)	Price (GA)
Bilbray	Hastert	Pryce (OH)
Bilirakis	Hastings (WA)	Putnam
Bishop (UT)	Hayes	Radanovich
Blunt	Heller	Ramstad
Boehner	Hensarling	Regula
Bonner	Herger	Rehberg
Bono	Hobson	Reichert
Boozman	Hoekstra	Reynolds
Boustany	Hulshof	Rogers (AL)
Brady (TX)	Hunter	Rogers (KY)
Broun (GA)	Inglis (SC)	Rogers (MI)
Brown (SC)	Issa	Rohrabacher
Brown-Waite, Ginny	Johnson, Sam	Ros-Lehtinen
Burgess	Jones (NC)	Roskam
Burton (IN)	Jordan	Royce
Buyer	Keller	Ryan (WI)
Calvert	King (IA)	Sali
Camp (MI)	King (NY)	Saxton
Campbell (CA)	Kingston	Schmidt
Cannon	Kline (MN)	Sensenbrenner
Cantor	Knollenberg	Sessions
Capito	LaHood	Shadegg
Carney	Lamborn	Shays
Carter	Latham	Shimkus
Chabot	LaTourette	Shuler
Coble	Lewis (CA)	Simpson
Cole (OK)	Lewis (KY)	Smith (NE)
Conaway	Linder	Smith (NJ)
Crenshaw	LoBiondo	Smith (TX)
Culberson	Lucas	Souder
Davis (KY)	Lungren, Daniel E.	Stearns
Davis, David	Mack	Stupak
Deal (GA)	Manzullo	Sullivan
Diaz-Balart, L.	Marchant	Terry
Diaz-Balart, M.	McCarthy (CA)	Thompson (CA)
Donnelly	McCotter	Thornberry
Doolittle	McCrery	Tiahrt
Drake	McHenry	Tiberi
Dreier	McHugh	Turner
Duncan	McKeon	Udall (CO)
Ehlers	McMorris Rodgers	Upton
Ellsworth	Mica	Walden (OR)
Emerson	Miller (FL)	Walsh (NY)
English (PA)	Miller (MI)	Wamp
Everett	Miller, Gary	Weldon (FL)
Fallin	Mitchell	Westmoreland
Feeney	Moran (KS)	Whitfield
Ferguson	Murphy, Tim	Wicker
Flake	Musgrave	Wilson (SC)
Forbes	Myrick	Wolf
Fortenberry	Neugebauer	Young (AK)
Fossella	Nunes	Young (FL)
Foxx		

ANSWERED ''PRESENT''—2

Gohmert	Tancredo

NOT VOTING—18

Alexander	Davis, Lincoln	Paul
Baird	Ellison	Renzi
Blackburn	Hill	Schiff
Carson	Jindal	Van Hollen
Cooper	McCaul (TX)	Weller
Cubin	Neal (MA)	Wilson (OH)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised 2 minutes remain in this vote.

□ 1211

So the Journal was approved.

The result of the vote was announced as above recorded.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H. RES. 106

Mr. FORTUÑO. Madam Speaker, I ask unanimous consent to withdraw my cosponsorship of H. Res. 106.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Puerto Rico?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 294. An act to reauthorize Amtrak, and for other purposes.

S. 2198. An act to require the Architect of the Capitol to permit the acknowledgement of God on flag certificates.

S. 2265. An act to extend the existing provisions regarding the eligibility for essential air service subsidies through fiscal year 2008.

The message also announced that pursuant to section 2(b) of Public Law 98–183, as amended by Public Law 103–419, the Chair, on behalf of the President pro tempore and upon the recommendation of the Republican Leader, appoints Gail Heriot, of California, to the United States Commission on Civil Rights, for a term of six years.

TRADE AND GLOBALIZATION ASSISTANCE ACT OF 2007

Mr. RANGEL. Mr. Speaker, pursuant to H. Res. 781, I call up the bill (H.R. 3920) to amend the Trade Act of 1974 to reauthorize trade adjustment assistance, to extend trade adjustment assistance to service workers and firms, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3920

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Trade and Globalization Act of 2007''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Since January 2001, the United States economy has lost nearly 3 million jobs in the manufacturing sector alone.

(2) Today, over 7.1 million people in the United States are unemployed, and nearly 1.2 million of those individuals have been unemployed for 6 months or longer.

(3) While the United States manufacturing sector has been the hardest hit by increased unemployment, the United States service sector has also seen declines as jobs have moved to low-cost labor markets, such as China, India, and the Philippines.

(4) Promoting the economic growth and competitiveness of the United States requires—

(A) opening substantial new markets for United States goods, services, and farm products;

(B) building a strong framework of rules for international trade to level the playing field for United States workers and businesses in all sectors of the economy; and

(C) helping those affected by globalization overcome its challenges and succeed.

(5) Congress created the trade adjustment assistance program in 1962 to provide United States workers who lose their jobs because of foreign competition with government-funded training and associated income support to enable such workers to transition to new, good-paying jobs.

(6) Unfortunately, the trade adjustment assistance program has not kept pace with globalization and it is failing to ensure that all workers adversely affected by trade receive the assistance they need and deserve.

(7) Workers in the service sector, who make up approximately 80 percent of the United States workforce, are ineligible for trade adjustment assistance.

(8) Inadequate funding for training leaves many dislocated workers without access to the retraining they need to find good-paying jobs.

(9) Unnecessary, unduly burdensome, and confusing program eligibility rules prevent workers from gaining access to benefits for which they are eligible.

(10) The health coverage tax credit suffers from fundamental flaws and, as a result, the credit is not being used by the vast majority of people who are eligible for it, despite a clear need for access to affordable health care.

(11) To meet the challenges posed by globalization and to preserve the critical role that United States workers play in promoting the strength and prosperity of the United States, the trade adjustment assistance program must be reformed.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Trade Adjustment Assistance for Service Sector Workers; Expansion of Covered Shifts in Production; Expansion of Downstream Secondary Worker Eligibility

SEC. 101. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE TO SERVICES SECTOR; SHIFTS IN PRODUCTION.

(a) PETITIONS.—Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)(1)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''Secretary'' and inserting ''Secretary of Labor''; and

(ii) by striking ''or subdivision'' and inserting (or subdivision) or public agency (or subdivision); and

(B) in subparagraph (A), by striking ''firm)'' and inserting ''firm, and workers in a service sector firm or subdivision of a service sector firm, or public agency)''; and

(2) in paragraph (3), by inserting ''and on the Website of the Department of Labor'' after ''Federal Register''.

(b) GROUP ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—Subsection (a) of section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended—

(A) in the matter preceding paragraph (1), by striking ''(including workers in any agricultural firm or subdivision of an agricultural firm)'' and inserting ''(other than workers in a public agency)'';

(B) in paragraph (2)—

(i) in subparagraph (A)(ii), by striking ''like or directly competitive with articles produced'' and inserting ''or services like or directly competitive with articles produced or services provided''; and

(ii) by striking subparagraph (B) and inserting the following:

''(B)(i) there has been a shift, by such workers' firm or subdivision to a foreign country, of production of articles, or in provision of services, like or directly competitive with articles that are produced, or services that are provided, by such firm or subdivision; or

''(ii) such workers' firm or subdivision has obtained or is likely to obtain articles or services described in clause (i) from a foreign country.''.

(2) WORKERS IN PUBLIC AGENCIES.—Such section is further amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(B) by inserting after subsection (a) the following:

''(b) ADVERSELY AFFECTED WORKERS IN PUBLIC AGENCIES.—A group of workers in a public agency shall be certified by the Secretary as eligible to apply for adjustment assistance under this chapter pursuant to a petition filed under section 221 if the Secretary determines that—

''(1) a significant number or proportion of the workers in the public agency, or an appropriate subdivision of the public agency, have become totally or partially separated, or are threatened to become totally or partially separated; and

''(2) the public agency or subdivision has obtained or is likely to obtain from a foreign country services that would otherwise be provided by such agency or subdivision.''.

(3) ADVERSELY AFFECTED SECONDARY WORKERS.—Subsection (c) of such section (as redesignated by paragraph (2)(A) of this subsection) is amended—

(A) in the matter preceding paragraph (1), by striking ''agricultural firm)'' and inserting ''agricultural firm, and workers in a service sector firm or subdivision of a service sector firm)'';

(B) in paragraph (2)—

(i) by inserting ''or service'' after ''related to the article''; and

(ii) by striking ''(c)(3)'' and inserting ''(d)(3)''; and

(C) in paragraph (3)(A), by striking ''it supplied to the firm (or subdivision)'' and inserting ''or services it supplied to the firm (or subdivision)''.

(4) DEFINITIONS AND ELIGIBILITY.—Subsection (d) of such section (as redesignated by paragraph (2)(A) of this subsection) is amended—

(A) by striking ''(d) For purposes of this section—'' and inserting ''(d) DEFINITIONS AND ELIGIBILITY.—For purposes of this section:''

(B) in paragraph (3), to read as follows:

''(3) DOWNSTREAM PRODUCER.——The term 'downstream producer' means a firm that performs additional, value-added production processes or services for a firm or subdivision, including a firm that performs final assembly, finishing, testing, packaging, or maintenance or transportation services directly for another firm (or subdivision), for articles or services that were the basis for a certification of eligibility under subsection (a) of a group of workers employed by such other firm (or subdivision).'';

(C) in paragraph (4)—

(i) by striking ''for articles'' and inserting '', or services, used in the production of articles or in the provision of services, as the case may be,''; and

(ii) by inserting ''(or subdivision)'' after ''such other firm''; and

(D) by adding at the end the following:

''(5) FIRMS IDENTIFIED BY ITC.—A petition filed under section 221 covering a group of workers from a firm or appropriate subdivision of a firm meets the requirements of subsection (a) if the firm is identified by the International Trade Commission under subsection (c), (d), or (e) of section 224.''.

(5) BASIS FOR SECRETARY'S DETERMINATIONS.—Such section is further amended by adding at the end the following:

''(e) BASIS FOR SECRETARY'S DETERMINATIONS.—

''(1) INCREASED IMPORTS OF SERVICES.—For purposes of subsection (a)(2)(A)(ii), the Secretary may determine that increased imports of like or directly competitive services exist if the customers of the workers' firm or subdivision accounting for not less than 20 percent of the sales of the workers' firm or subdivision (as the case may be) certify to the Secretary that such customers are obtaining such services from a foreign country.

''(2) SHIFT IN PRODUCTION; OBTAINING ARTICLES OR SERVICES ABROAD.—For purposes of subsections (a)(2)(B) and (b)(2), the Secretary may determine that there has been a shift in production of articles or provision of services, or that a workers' firm or public agency, or subdivision thereof, has obtained or is likely to obtain like or directly competitive articles or services from a foreign country, based on a certification thereof from the workers' firm, public agency, or subdivision (as the case may be).

''(3) PROCESS AND METHODS FOR OBTAINING CERTIFICATIONS.—

''(A) REQUEST BY PETITIONER.—If requested by the petitioner, the Secretary shall obtain the certifications under paragraphs (1) and (2) in such manner as the Secretary determines is appropriate, including by issuing subpoenas under section 249 when necessary.

''(B) PROTECTION OF CONFIDENTIAL INFORMATION.—The Secretary may not release information obtained under subparagraph (A) that the Secretary considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Secretary, or such party subsequently consents to the release of the information. Nothing in this subparagraph shall be construed to prohibit a court from requiring the submission of such confidential business information to the court in camera.''.

(c) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended—

(1) in the matter preceding paragraph (1), by striking ''chapter—'' and inserting ''chapter:'';

(2) in paragraph (1)—

(A) by inserting '', or employment in a public agency or appropriate subdivision of a public agency,'' after ''of a firm''; and

(B) by striking ''such firm or subdivision'' inserting ''such firm (or subdivision) or public agency (or subdivision)'';

(3) in paragraph (2), by striking ''employment—'' and all that follows and inserting ''employment has been totally or partially separated from such employment.'';

(4) by redesignating paragraphs (8) through (17) as paragraphs (10) through (19), respectively; and

(5) by inserting after paragraph (6) the following:

''(7) The term 'public agency' means a department or agency of a State or local government or of the Federal Government.

''(8) The term 'service sector firm' means an entity engaged in the business of providing services.

''(9) Except as otherwise provided, the term 'Secretary' means the Secretary of Labor.''.

SEC. 102. DETERMINATIONS BY SECRETARY OF LABOR.

Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) is amended—

(1) in subsection (b), by striking ''before his application'' and all that follows and inserting ''before the worker's application under section 231 occurred more than one year before the date of the petition on which such certification was granted.'';

(2) in subsection (c), by striking ''together with his reasons'' and inserting ''and on the Website of the Department of Labor, together with the Secretary's reasons''; and

(3) in subsection (d), by striking ''together with his reasons'' and inserting ''and on the Website of the Department of Labor, together with the Secretary's reasons''.

SEC. 103. MONITORING AND REPORTING RELATING TO SERVICE SECTOR.

(a) IN GENERAL.—Section 282 of the Trade Act of 1974 (19 U.S.C. 2393) is amended—

(1) in the heading, by striking ''**SYSTEM**'' and inserting ''**AND DATA COLLECTION**'';

(2) in the first sentence—

(A) by striking ''The Secretary'' and inserting ''(a) MONITORING PROGRAMS.—The Secretary'';

(B) by inserting ''and services'' after ''imports of articles'';

(C) by inserting ''and domestic provision of services'' after ''domestic production'';

(D) by inserting ''or providing services'' after ''producing articles''; and

(E) by inserting '', or provision of services,'' after ''changes in production''; and

(3) by adding at the end the following:

''(b) COLLECTION OF DATA AND REPORTS ON SERVICE SECTOR.—

''(1) SECRETARY OF LABOR.—Not later than 90 days after the date of the enactment of the Trade and Globalization Act of 2007, the Secretary of Labor shall implement a system to collect data on adversely affected workers employed in the service sector that includes the number of workers by State, industry, and cause of dislocation of each worker.

''(2) SECRETARY OF COMMERCE.—Not later than 1 year after such date of enactment, the Secretary of Commerce shall, in consultation with the Secretary of Labor, conduct a study and report to Congress on ways to improve the timeliness and coverage of data on trade in services, including methods to identify increased imports due to the relocation of United States firms to foreign countries, and increased imports due to United States firms obtaining services from firms in foreign countries.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 282 and inserting the following:

''Sec. 282. Trade monitoring and data collection.''.

Subtitle B—Industry-Wide Trade Adjustment Assistance

SEC. 111. INDUSTRY-WIDE DETERMINATIONS.

(a) IN GENERAL.—Subchapter A of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding after section 223 the following:

''SEC. 223A. INDUSTRY-WIDE DETERMINATIONS.

''(a) INVESTIGATION.—Upon the request of the President or the United States Trade Representative, or the resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, with respect to a domestic industry, or if the Secretary certifies groups of workers in a domestic industry under section 223(a) pursuant to 3 petitions within a 180-day period, the Secretary shall promptly initiate an investigation under this chapter to determine the eligibility for adjustment assistance of—

''(1) all workers in that domestic industry; or

''(2) all workers in that domestic industry in a specific geographic region.

''(b) DETERMINATION REGARDING INDUSTRY-WIDE CERTIFICATION.—

''(1) DETERMINATION.—The Secretary shall, not later than 60 days after receiving a request or resolution described in subsection (a) with respect to a domestic industry, or making the third certification of workers in a domestic industry described in subsection (a), as the case may be—

''(A) determine whether all adversely affected workers in that domestic industry are eligible to apply for assistance under this subchapter, in accordance with the criteria established under subsection (e); or

''(B) determine whether all adversely affected workers in that domestic industry in a specific geographic region are eligible to apply for assistance under this subchapter, in accordance with the criteria established under subsection (e).

''(c) IDENTIFICATION AND CERTIFICATION.—

''(1) AFFIRMATIVE DETERMINATION.—

''(A) IN GENERAL.—Upon making an affirmative determination under subsection (b), the Secretary shall—

''(i) identify all firms operating within the domestic industry described in paragraph (1) or (2) or subsection (b) that are covered by the determination;

''(ii) certify all workers of such firms as a group of workers eligible to apply for assistance under this subchapter, without any other determination of whether such group meets the requirements of section 222.

''(B) OTHER REQUIREMENTS.—

''(i) IN GENERAL.—Each certification under subparagraph (A)(ii) shall specify the date on which the total or partial separation began or threatened to begin, except that—

''(I) with respect to a request or a resolution under subsection (a), such date may not be a date that precedes one year before the date on which the Secretary receives the request or resolution, as the case may be; and

''(II) with respect to the third certification of workers in a domestic industry described in subsection (a), such date may not be a date that precedes one year before the date on which the Secretary certifies the 3d such petition.

''(ii) INAPPLICABILITY.—A certification under subparagraph (A)(ii) shall not apply to any worker whose last total or partial separation from the firm occurred before the applicable date specified in clause (i).

''(2) NEGATIVE DETERMINATION.—If the Secretary makes a negative determination under subsection (b), the Secretary shall notify the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate of the reasons for the Secretary's determination.

''(3) PUBLICATION.—Upon making a determination under subsection (b), the Secretary shall promptly publish a summary of the determination in the Federal Register and on the Website of the Department of Labor, together with the reasons for making such determination.

''(4) TERMINATION.—Whenever the Secretary determines that a certification under paragraph (1) is no longer warranted, the Secretary shall terminate the certification and promptly have notice of the termination published in the Federal Register and on the Website of the Department of Labor, together with the reasons for making such determination under this paragraph. Such termination shall apply only with respect to total or partial separations occurring after the termination date specified by the Secretary.

''(d) OUTREACH.—Upon making a certification under subsection (c)(1) of eligibility for adjustment assistance under this chapter of a group of workers or all workers in a domestic industry, the Secretary shall notify each Governor of a State in which the workers are located of the certification.

''(e) REGULATIONS.—The Secretary shall, not later than 1 year after the date of the enactment of the Trade and Globalization Act of 2007, issue regulations for making determinations under this section, including criteria for making such determinations. The Secretary shall develop such regulations in consultation with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, and the Secretary shall submit such regulations to each such committee at least 60 days before the regulations go into effect.

''(f) DOMESTIC INDUSTRY DEFINED.—In this section, the term 'domestic industry' means an industry in the United States, as that industry is defined by the North American Industry Classification System.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 223 the following:

''Sec. 223A. Industry-wide determinations.''.

(c) CONFORMING AMENDMENTS.—Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended—

(1) in section 225—

(A) in subsection (a), in the last sentence by inserting ''or 223A'' after ''223''; and

(B) in subsection (b)—

(i) in paragraph (1), by striking ''subchapter A of this chapter'' and inserting ''this subchapter''; and

(ii) in paragraph (2), by striking ''subchapter A'' and inserting ''this subchapter''; and

(2) in section 231—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by striking ''more than 60 days'' and all that follows through ''section 221'' and inserting ''on or after the date of such certification''; and

(ii) in paragraph (1)—

(I) in subparagraph (B), by inserting ''or 223A (as the case may be)'' after ''223''; and

(II) in subparagraph (C), by inserting ''or 223A(c)(4), as the case may be'' after ''223(d)''; and

(B) in subsection (b)—

(i) by striking paragraph (2); and

(ii) in paragraph (1)—

(I) by striking ''(1)'';

(II) by redesignating subparagraphs (A) and (B) as paragraph (1) and (2), respectively;

(III) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(IV) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively.

SEC. 112. NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS AND SAFEGUARDS.

(a) IN GENERAL.—Section 224 of the Trade Act of 1974 (19 U.S.C. 2274) is amended—

(1) in the heading, by striking ''**STUDY BY SECRETARY OF LABOR WHEN INTERNATIONAL TRADE COMMISSION BEGINS INVESTIGATION**'' and inserting ''**STUDY AND NOTIFICATIONS REGARDING TRADE REMEDY DETERMINATIONS**'';

(2) in subsection (a), by striking ''Whenever'' and inserting ''STUDY OF DOMESTIC INDUSTRY.—Whenever'';

(3) in subsection (b)—

(A) by striking ''The report'' and inserting ''REPORT BY THE SECRETARY.—The report'';

(B) by striking ''his report'' and inserting ''the Secretary's report''; and

(C) by inserting ''and on the Website of the Department of Labor'' after ''Federal Register''; and

(4) by adding at the end the following:

''(c) NOTIFICATIONS REGARDING AFFIRMATIVE SAFEGUARD DETERMINATIONS UNDER SECTION 202.—Upon issuing an affirmative finding regarding serious injury, or the threat thereof, to a domestic industry, under section 202, the Commission shall notify the Secretary and the Secretary of Commerce of that finding and the identity of the firms which comprise the domestic industry.

''(d) NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS UNDER SECTION 421.—Upon issuing an affirmative determination of market disruption, or the threat thereof, under section 421, the Commission shall notify the Secretary and the Secretary of Commerce of that determination and the identity of the firms which comprise the affected domestic industry.

''(e) NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS UNDER TARIFF ACT OF 1930.—Upon issuing a final affirmative determination of injury, or the threat thereof, under section 705 or section 735 of the Tariff Act of 1930 (19 U.S.C. 1671d and 1673d), the Commission shall notify the Secretary and the Secretary of Commerce of that determination and the identity of the firms which comprise the affected domestic industry.

''(f) NOTIFICATION OF INDUSTRY AND WORKER REPRESENTATIVES.—Whenever the Commission makes a notification under subsection (c), (d), or (e)—

''(1) the Secretary shall—

''(A) notify the firms identified by the Commission as comprising the domestic industry affected, and any certified or recognized union or other duly authorized representatives of the workers in such industry, of the allowances, training, employment services, and other benefits available under this chapter, and the procedures under this chapter for filing petitions and applying for benefits;

''(B) notify the Governor of each State in which one or more firms described in subparagraph (A) are located of the Commission's determination and the identity of the firms; and

''(C) provide the necessary assistance to employers, groups of workers, and any certified or recognized union or other duly authorized representatives of such workers to file petitions under section 221; and

''(2) the Secretary of Commerce shall—

''(A) notify the firms identified by the Commission as comprising the domestic industry affected of the benefits under chapter 3 and the procedures under such chapter for filing petitions and applying for benefits; and

''(B) provide the necessary assistance to firms to file petitions under section 251.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 224 and inserting the following:

''Sec. 224. Study and notifications regarding trade remedy determinations.''.

SEC. 113. NOTIFICATION TO SECRETARY OF COMMERCE.

Section 225 of the Trade Act of 1974 (19 U.S.C. 2275) is amended by adding at the end the following:

''(c) Upon issuing a certification under section 223 or 223A, the Secretary shall notify the Secretary of Commerce of the identify of the firm or firms that are covered by the certification.''.

SEC. 114. RESTRICTION ON ELIGIBILITY FOR PROGRAM BENEFITS.

(a) IN GENERAL.—Subchapter A of chapter 2 of title II of the trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding at the end the following new section:

''SEC. 226. RESTRICTION ON ELIGIBILITY FOR PROGRAM BENEFITS.

''No benefit allowances, training, or other employment services may be provided under this chapter to a worker who is an alien unless the alien is an individual lawfully admitted for permanent residence to the United States, is lawfully present in the United States, or is permanently residing in the United States under color of law.''.

(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by adding after the item relating to section 225 the following:

''226. Restriction on eligibility for program benefits.''.

Subtitle C—Program Benefits

SEC. 121. QUALIFYING REQUIREMENTS FOR WORKERS.

(a) IN GENERAL.—Subsection (a)(5)(A)(ii) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended—

(1) by striking subclauses (I) and (II) and inserting the following:

''(I) in the case of a worker whose most recent total separation from adversely affected employment that meets the requirements of paragraphs (1) and (2) occurs after the date on which the Secretary issues a certification covering the worker, the last day of the 26th week after such total separation,

''(II) in the case of a worker whose most recent total separation from adversely affected employment that meets the requirements of paragraphs (1) and (2) occurs before the date on which the Secretary issues a certification covering the worker, the last day of the 26th week after the date of such certification,''; and

(2) in subclause (III)—

(A) by striking ''later of the dates specified in subclause (I) or (II)'' and inserting ''date specified in subclause (I) or (II), as the case may be''; and

(B) by striking ''or'' at the end;

(3) by redesignating subclause (IV) as subclause (V); and

(4) by inserting after subclause (III) the following:

''(IV) the last day of such period that the Secretary determines appropriate, if the failure to enroll is due to the failure to provide the worker with timely information regarding the date specified in subclause (I) or (II), as the case may be, or''.

(b) WAIVERS OF TRAINING REQUIREMENTS.—Subsection (c) of such section 231 is amended—

(1) in paragraph (1)(B)—

(A) by striking ''The worker possesses'' and inserting

''(i) IN GENERAL.—The worker possesses'';

(B) by moving the remaining text 2 ems to the right; and

(C) by adding at the end the following:

''(ii) MARKETABLE SKILLS DEFINED.—For purposes of clause (i), the term 'marketable skills' may include the possession of a postgraduate degree from an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965) or equivalent foreign institution, or the possession of an equivalent postgraduate certification in a specialized field.''; and

(2) in paragraph (3)—

(A) in subparagraph (A), by striking ''may authorize'' and inserting ''shall authorize'';

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following:

''(B) DURATION OF WAIVERS.—A waiver issued under paragraph (1) by a cooperating State shall be effective for not more than 3 months after the date on which the waiver is issued, except that the State, upon reviewing the waiver, may extend the waiver for an additional period of not more than 3 months if the State determines that the waiver should be maintained.''.

(c) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—Such section 231 is further amended by adding at the end the following:

''(d) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—All determinations of eligibility for trade readjustment allowances under this part shall be made by employees of the State who are appointed on a merit basis.''.

(d) CONFORMING AMENDMENT.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by striking subsection (b) and redesignating subsections (c) through (g) as subsections (b) through (f), respectively.

SEC. 122. WEEKLY AMOUNTS.

(a) IN GENERAL.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) in subsection (a)—

(A) by striking ''subsections (b) and (c)'' and inserting ''subsections (b), (c), and (d)'';

(B) by striking ''total unemployment'' the first place it appears and inserting ''unemployment''; and

(C) in paragraph (2), by adding at the end before the period the following: '', except that in the case of an adversely affected worker who is participating in full-time training under this chapter, such income shall not include earnings from work for such week that are equal to or less than the most recent weekly benefit amount of the unemployment insurance payable to the worker for a week of total unemployment preceding the worker's first exhaustion of unemployment insurance (as determined for purposes of section 231(a)(3)(B))'';

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(3) by inserting after subsection (a) the following:

''(b)(1) Notwithstanding section 231(a)(3)(B), if an adversely affected worker who is participating in training qualifies for unemployment insurance under State law, based in whole or in part upon part-time or short-term employment following approval of the worker's initial trade readjustment allowance application under section 231(a), then for any week for which unemployment insurance is payable and for which the worker would otherwise be entitled to a trade readjustment allowance based upon the certification under section 223, the worker shall, in addition to any such unemployment insurance, be paid a trade readjustment allowance in the amount described in paragraph (2).

''(2) The trade readjustment allowance payable under paragraph (1) shall be equal to the weekly benefit amount of the unemployment insurance upon which the worker's trade readjustment allowance was initially determined under subsection (a), reduced by—

''(A) the amount of the unemployment insurance benefit payable to such worker for

that week of unemployment for which a trade readjustment allowance is payable under paragraph (1); and

''(B) the amounts described in paragraphs (1) and (2) of subsection (a).''.

(b) CONFORMING AMENDMENTS.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)(1), by striking ''section 232(a)'' and inserting ''subsections (a) and (b) of section 232''; and

(2) in subsection (c), by striking ''section 232(b)'' and inserting ''section 232(c)''.

SEC. 123. LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES; ALLOWANCES FOR EXTENDED TRAINING AND BREAKS IN TRAINING.

Section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)) is amended—

(1) in paragraph (2), by inserting ''under paragraph (1)'' after ''trade readjustment allowance'';

(2) in paragraph (3)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''52 additional weeks'' and inserting ''78 additional weeks''; and

(ii) by striking ''52-week'' and inserting ''91-week''; and

(B) in the matter following subparagraph (B), by striking ''52-week'' and inserting ''91-week''.

SEC. 124. SPECIAL RULES FOR CALCULATION OF ELIGIBILITY PERIOD.

Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end the following:

''(g) SPECIAL RULE FOR CALCULATING SEPARATION.—Notwithstanding any other provision of this chapter, any period during which a judicial or administrative appeal is pending with respect to the denial by the Secretary of a petition under section 223 shall not be counted for purposes of calculating the period of separation under subsection (a)(2) or for purposes of calculating time periods specified in section 231(a)(5)(A).

''(h) SPECIAL RULE FOR JUSTIFIABLE CAUSE.—The Secretary may extend the periods during which trade readjustment allowances are payable to an adversely affected worker under paragraphs (2) and (3) of subsection (a) and under subsection (f) (but not the maximum amounts of such allowances that are payable under this section), if the Secretary determines that there is justifiable cause for such an extension, such as the failure to provide the worker with timely information, delays in certification due to administrative reconsideration or judicial review, or justifiable breaks in training that exceed the period allowable under subsection (e).''.

SEC. 125. APPLICATION OF STATE LAWS AND REGULATIONS ON GOOD CAUSE FOR WAIVER OF TIME LIMITS OR LATE FILING OF CLAIMS.

Section 234 of the Trade Act of 1974 (19 U.S.C. 2294) is amended—

(1) by striking ''Except where inconsistent'' and inserting ''(a) IN GENERAL.—Except where inconsistent''; and

(2) by adding at the end the following:

''(b) STATE LAWS AND REGULATIONS ON GOOD CAUSE FOR WAIVER OF TIME LIMITS OR LATE FILING OF CLAIMS.—Any law or regulation of a cooperating State under section 239 that allows for a waiver for good cause of any time limit, including a waiver for good cause to allow the late filing of any claim, for trade readjustment allowances or other adjustment assistance under this chapter shall, in the administration of the program by the State under this chapter, apply to the applicable time limitation referred to or specified in this chapter or any regulation prescribed to carry out this chapter.''.

SEC. 126. EMPLOYMENT AND CASE MANAGEMENT SERVICES.

(a) IN GENERAL.—Section 235 of the Trade Act of 1974 (19 U.S.C. 2295) is amended to read as follows:

''SEC. 235. EMPLOYMENT AND CASE MANAGEMENT SERVICES.

''The Secretary shall provide, directly or through agreements with States under section 239, to adversely affected workers covered by a certification under subchapter A of this chapter the following employment and case management services:

''(1) Comprehensive and specialized assessment of skill levels and service needs, including through—

''(A) diagnostic testing and use of other assessment tools; and

''(B) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.

''(2) Development of an individual employment plan to identify employment goals and objectives, and appropriate training to achieve those goals and objectives.

''(3) Information on training available in local and regional areas, information on individual counseling to determine which training is suitable training, and information on how to apply for such training.

''(4) Information on how to apply for financial aid, including referring workers to educational opportunity centers under section 402F of the Higher Education Act of 1965, where applicable, and notifying workers that the workers may ask financial aid administrators at institutions of higher education to allow use of their current year income in the financial aid process.

''(5) Short-term prevocational services, including development of learning skills, communications skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct to prepare individuals for employment or training.

''(6) Individual career counseling, including job search and placement counseling, during the period in which the individual is receiving a trade adjustment allowance or training under this chapter, and for purposes of job placement after receiving such training.

''(7) Provision of employment statistics information, including the provision of accurate information relating to local, regional, and national labor market areas, including—

''(A) job vacancy listings in such labor market areas;

''(B) information on jobs skills necessary to obtain jobs identified in job vacancy listings described in subparagraph (A);

''(C) information relating to local occupations that are in demand and earnings potential of such occupations; and

''(D) skills requirements for local occupations described in subparagraph (C).

''(8) Supportive services, including services relating to child care, transportation, dependent care, housing assistance, and need-related payments that are necessary to enable an individual to participate in training.''.

(b) CLERICAL AMENDMENT.—The item relating to section 235 in the table of contents for title II of the Trade Act of 1974 is amended to read as follows:

''235. Employment and case management services.''.

SEC. 127. TRAINING.

(a) IN GENERAL.—Subsection (a)(1) of section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended by striking the last sentence.

(b) FUNDING.—Subsection (a)(2) of such section is amended—

(1) in subparagraph (A), to read as follows:

''(A) The total amount of payments that may be made under paragraph (1) for each of the fiscal years 2008 and 2009 shall not exceed $440,000,000. The total amount of payments that may be made under paragraph (1) for fiscal year 2010 and each subsequent fiscal year shall not exceed $660,000,000.''; and

(2) by striking subparagraph (B) and inserting the following:

''(B) Not later than 120 days after the date of the enactment of the Trade and Globalization Act of 2007, the Secretary shall establish and implement procedures for the allocation among the States in each fiscal year of funds available to pay the costs of training for workers under this section. The Secretary shall, at least 60 days before the date on which the procedures described in this subparagraph are first implemented, consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate with respect to such procedures.

''(C) In establishing and implementing the procedures under subparagraph (B), the Secretary shall—

''(i) provide for at least 3 distributions of funds available for training in the fiscal year, and, in the first such distribution, disburse not more than 50 percent of the total amount of funds available for training in that fiscal year;

''(ii) consider using a broad range of factors for the allocation of training funds distributed to States for each fiscal year, including factors such as—

''(I) the number of workers certified under sections 223 and 223A in the preceding fiscal year;

''(II) the total number of workers certified under sections 223 and 223A that are enrolled in training approved under this section;

''(III) the minimum level of funding necessary to provide training approved under this section; and

''(IV) notifications under the Worker Adjustment and Retraining Notification Act or other layoff notifications;

''(iii) after the initial distribution of training funds to States at the beginning of each fiscal year, provide for subsequent distributions of training funds remaining, based on the factors described in clause (ii) (but, in the case of the factor described in subclause (I) of clause (ii), based on data from the preceding 2 fiscal quarters) if a State requests the distribution of the remaining funds;

''(iv) ensure that any final distribution of funds during a fiscal year is made not later than July 1 of that fiscal year; and

''(v) develop an explicit policy for re-capture and redistribution of training funds, to the extent such re-capture and redistribution of training funds is necessary.''.

(c) DETERMINATIONS REGARDING TRAINING.—Subsection (a)(9) of such section is amended—

(1) by striking ''The Secretary'' and inserting ''(A) Subject to subparagraph (B), the Secretary''; and

(2) by adding at the end the following:

''(B)(i) In determining under paragraph (1)(E) whether a worker is qualified to undertake and complete training, the Secretary may not disallow training for a period longer than the worker's period of eligibility for trade readjustment allowances under part I if the worker demonstrates that the worker has sufficient financial resources to complete the training after the expiration of the worker's period of eligibility for such trade readjustment allowances.

''(ii) In determining the reasonable cost of training under paragraph (1)(F) with respect to a worker, the Secretary may consider whether other public or private funds are reasonably available to the worker, except that the Secretary may not require a worker to obtain such funds as a condition of approval of training under paragraph (1).''.

(d) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—Such section is further amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

''(e) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—All determinations of eligibility for training under this section shall be made by employees of the State who are appointed on a merit basis.''.

(e) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study of the procedures for the allocation of training funds for workers under subparagraphs (B) and (C) of section 236(a)(2) of the Trade Act of 1974 (19 U.S.C. 2296), as added by subsection (a) of this section, that are established and implemented by the Secretary of Labor pursuant to such section. In carrying out the study, the Comptroller General shall examine the overall adequacy of funding for training for workers by State and the effectiveness of the procedures for allocating training funds between States and among workers.

(2) REPORTS.—

(A) INTERIM REPORT.—The Comptroller General of the United States shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an interim report that contains the results of the study conducted under paragraph (1) for the first fiscal year with respect to which the procedures described in paragraph (1) are implemented.

(B) FINAL REPORT.—The Comptroller General of the United States shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a final report that contains the results of the study conducted under paragraph (1) for the first three fiscal years with respect to which the procedures described in paragraph (1) are implemented.

SEC. 128. PREREQUISITE EDUCATION; APPROVED TRAINING PROGRAMS.

(a) IN GENERAL.—Section 236(a)(5) of the Trade Act of 1974 (19 U.S.C. 2296(a)(5)) is amended—

(1) in subparagraph (A)—

(A) by striking ''and'' at the end of clause (i);

(B) by adding ''and'' at the end of clause (ii); and

(C) by inserting after clause (ii) the following:

''(iii) apprenticeship programs registered under the National Apprenticeship Act (29 U.S.C. 50 et seq.),'';

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively;

(3) by inserting after subparagraph (D) the following:

''(E) any program of prerequisite education or coursework required to enroll in training that may be approved under this section,'';

(4) in subparagraph (F)(ii), as redesignated by paragraph (1), by striking ''and'' at the end;

(5) in subparagraph (G), as redesignated by paragraph (1), by striking the period at the end and inserting '', and''; and

(6) by adding at the end the following:

''(H) any training program or coursework at an accredited institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965), including a training program or coursework for the purpose of—

''(i) obtaining a degree or certification; or

''(ii) completing a degree or certification that the worker had previously begun at an accredited institution of higher education.

The Secretary may not limit approval of a training program under paragraph (1) to a program provided pursuant to title I of the Workforce Investment Act of 1998.''.

(b) CONFORMING AMENDMENTS.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)(2), by inserting ''prerequisite education or'' after ''requires a program of''; and

(2) in subsection (f) (as redesignated by section 121(d) of this Act), by inserting ''prerequisite education or'' after ''includes a program of''.

SEC. 129. ELIGIBILITY FOR UNEMPLOYMENT INSURANCE AND PROGRAM BENEFITS WHILE IN TRAINING.

(a) IN GENERAL.—Section 236(d) of the Trade Act of 1974 (19 U.S.C. 2296(d)) is amended to read as follows:

''(d) ELIGIBILITY.—A worker may not be determined to be ineligible or disqualified for unemployment insurance or program benefits under this subchapter—

''(1) because the worker—

''(A) is enrolled in training approved under subsection (a); or

''(B) left work—

''(i) that was not suitable employment to enter such training; or

''(ii) that the worker engaged in on a temporary basis during a break in such training or a delay in the commencement of such training; or

''(2) because the provisions of State law or Federal unemployment insurance law relating to availability for work, active search for work, or refusal to accept work apply to a week of training approved under subsection (a).''.

(b) DEFINITION.—Subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2291 et seq.) is amended—

(1) in section 233(d) (as redesignated by section 121(d) of this Act), by inserting ''suitable'' before ''on-the-job training''; and

(2) in section 236—

(A) by inserting ''suitable'' before ''on-the-job training'' each place it appears; and

(B) by adding at the end the following:

''(h) SUITABLE ON-THE-JOB TRAINING.—For purposes of this section, the term 'suitable on-the-job training' means on-the-job training—

''(1) that can reasonably be expected to lead to suitable employment;

''(2) that is compatible with the skills of the worker;

''(3) that—

''(A) involves a curriculum through which the worker learns the skills necessary for the job for which the worker is being trained; and

''(B) can be measured by benchmarks that indicate that the worker is learning such skills; and

''(4) that is certified by the State as an on-the-job training program that meets the requirements of paragraph (3).''.

SEC. 130. ADMINISTRATIVE EXPENSES AND EMPLOYMENT AND CASE MANAGEMENT SERVICES.

(a) IN GENERAL.—Part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295 et seq.) is amended by inserting after section 236 the following:

''SEC. 236A. ADDITIONAL PAYMENTS FOR ADMINISTRATIVE EXPENSES AND EMPLOYMENT AND CASE MANAGEMENT SERVICES.

''(a) ADMINISTRATIVE EXPENSES.—

''(1) IN GENERAL.—The Secretary shall provide to each State that receives a payment under section 236 for a fiscal year an additional payment for such fiscal year in an amount that is not less than 15 percent of the amount of the payment under section 236.

''(2) USE OF FUNDS.—A State that receives an additional payment under paragraph (1) shall use the payment for administration of the trade adjustment assistance for workers program under this chapter, including for—

''(A) processing of waivers of training requirements under section 231;

''(B) collecting of data required under this chapter; and

''(C) providing services under section 235.

''(3) ADMINISTRATION REQUIREMENT.—Funds provided to a State under this subsection for a fiscal year that are in excess of the amount of funds provided to the State for administration of the trade adjustment assistance for workers program under this chapter for fiscal year 2007 may only be administered by employees of the State who are appointed on a merit basis.

''(b) ADDITIONAL FUNDING FOR EMPLOYMENT AND CASE MANAGEMENT SERVICES.—

''(1) IN GENERAL.—The Secretary shall provide to each State that receives a payment under section 236 for a fiscal year an additional payment for such fiscal year in an amount that is not less than .06 percent of the total amount of payments that may be made in that fiscal year as described in section 236(a)(2).

''(2) USE OF FUNDS.—A State that receives an additional payment under paragraph (1) shall use the payment for providing services under section 235.

''(3) ADMINISTRATION REQUIREMENT.—Funds provided to a State under this subsection may only be administered by employees of the State who are appointed on a merit basis.

''(c) FUNDING.—Funds provided to the States under this section shall not be counted toward the limitation contained in section 236(a)(2)(A).''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 236 the following:

''Sec. 236A. Additional payments for administrative expenses and employment and case management services.''.

SEC. 131. JOB SEARCH AND RELOCATION ALLOWANCES.

(a) JOB SEARCH ALLOWANCES.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended—

(1) in subsection (a)(2)(C)(ii), by striking '', unless the worker received a waiver under section 231(c)''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''90 percent of the cost of'' and inserting ''all''; and

(B) in paragraph (2), by striking ''$1,250'' and inserting ''$1,500''.

(b) RELOCATION ALLOWANCES.—Section 238 of the Trade Act of 1974 (19 U.S.C. 2298) is amended—

(1) in subsection (a)(2)(E)(ii), by striking '', unless the worker received a waiver under section 231(c)''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''90 percent of the'' and inserting ''all''; and

(B) in paragraph (2), by striking ''$1,250'' and inserting ''$1,500''.

Subtitle D—Health Care Provisions

SEC. 141. MODIFICATIONS RELATING HEALTH INSURANCE ASSISTANCE FOR CERTAIN TAA AND PBGC PENSION RECIPIENTS.

(a) INCREASE IN CREDIT PERCENTAGE AMOUNT.—

(1) IN GENERAL.—Subsection (a) of section 35 of the Internal Revenue Code of 1986 is amended by striking ''65 percent'' and inserting ''85 percent''.

(2) CONFORMING AMENDMENT.—Subsection (b) of section 7527 of such Code is amended by

striking ''65 percent'' and inserting ''85 percent''.

(b) TAA RECIPIENTS RECEIVING UNEMPLOYMENT COMPENSATION AND NOT ENROLLED IN TRAINING PROGRAM ELIGIBLE FOR CREDIT.—Paragraph (2) of section 35(c) of such Code is amended to read as follows:

''(2) ELIGIBLE TAA RECIPIENT.—The term 'eligible TAA recipient' means, with respect to any month, any individual who—

''(A) is receiving for any day of such month a trade readjustment allowance under chapter 2 of title II of the Trade Act of 1974, or

''(B) who is receiving unemployment compensation (as defined in section 85) for such month and who would be eligible to receive such allowance for such month if section 231 of such Act were applied without regard to subsections (a)(3)(B) and (a)(5) thereof.

An individual shall continue to be treated as an eligible TAA recipient during the first month that such individual would otherwise cease to be an eligible TAA recipient by reason of the preceding sentence.''.

(c) ELIGIBILITY FOR ELIGIBLE INDIVIDUALS MADE RETROACTIVE TO TAA-RELATED LOSS OF EMPLOYMENT.—Subsection (c) of section 35 of such Code is amended by adding at the end the following new paragraph:

''(5) RETROACTIVE ELIGIBILITY FOR TAA RECIPIENTS.—In the case of any individual who is an eligible TAA recipient or eligible alternative TAA recipient for any month, such individual shall be treated as an eligible individual for any month which precedes such month and which begins after the later of—

''(A) the date of the separation from employment which gives rise to such individual being an eligible TAA recipient or eligible alternative TAA recipient, or

''(B) December 31, 2007.''.

(d) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

(1) IN GENERAL.—Subsection (g) of section 35 of such Code is amended by redesignating paragraph (9) as paragraph (10) and inserting after paragraph (8) the following new paragraph:

''(9) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

''(A) MEDICARE ELIGIBILITY.—In the case of any month which would be an eligible coverage month with respect to an eligible individual but for subsection (f)(2)(A), such month shall be treated as an eligible coverage month with respect to such eligible individual solely for purposes of determining the amount of the credit under this section with respect to any qualifying family members of such individual (and any advance payment of such credit under section 7527). This subparagraph shall only apply with respect to the first 36 months after such eligible individual is first entitled to the benefits described in subsection (f)(2)(A).

''(B) DIVORCE.—In the case of the finalization of a divorce between an eligible individual and such individual's spouse, such spouse shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such finalization, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such finalization.

''(C) DEATH.—In the case of the death of an eligible individual—

''(i) any spouse of such individual (determined at the time of such death) shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such death, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such death, and

''(ii) any individual who was a qualifying family member of the decedent immediately before such death (or, in the case of an individual to whom paragraph (4) applies, the taxpayer to whom the deduction under section 151 is allowable) shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such death, except that in determining the amount of such credit only such qualifying family member may be taken into account.''.

(2) CONFORMING AMENDMENT.—Section 173(f) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)) is amended by adding at the end the following:

''(8) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

''(A) MEDICARE ELIGIBILITY.—In the case of any month which would be an eligible coverage month with respect to an eligible individual but for paragraph (7)(B)(i), such month shall be treated as an eligible coverage month with respect to such eligible individual solely for purposes of determining the eligibility of qualifying family members of such individual under this subsection. This subparagraph shall only apply with respect to the first 36 months after such eligible individual is first entitled to the benefits described in paragraph (7)(B)(i).

''(B) DIVORCE.—In the case of the finalization of a divorce between an eligible individual and such individual's spouse, such spouse shall be treated as an eligible individual for purposes of this subsection for a period of 36 months beginning with the date of such finalization, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such finalization.

''(C) DEATH.—In the case of the death of an eligible individual—

''(i) any spouse of such individual (determined at the time of such death) shall be treated as an eligible individual for purposes of this subsection for a period of 36 months beginning with the date of such death, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such death, and

''(ii) any individual who was a qualifying family member of the decedent immediately before such death shall be treated as an eligible individual for purposes this subsection for a period of 36 months beginning with the date of such death, except that no qualifying family members may be taken into account with respect to such individual.''.

(e) MODIFICATION OF CREDITABLE COVERAGE REQUIREMENT.—

(1) IN GENERAL.—Subparagraph (B) of section 35(e)(2) of such Code is amended to read as follows:

''(B) QUALIFYING INDIVIDUAL.—For purposes of this paragraph, the term 'qualifying individual' means an eligible individual and the qualifying family members of such individual if such individual meets the requirements of clauses (iii) and (iv) of subsection (b)(1)(A) and—

''(i) in the case of an eligible TAA recipient or an eligible alternative TAA recipient, has (as of the date on which the individual seeks to enroll in the coverage described in subparagraphs (B) through (H) of paragraph (1)) a period of creditable coverage (as defined in section 9801(c)), or

''(ii) in the case of an eligible PBGC pension recipient, enrolls in such coverage during the 90-day period beginning on the later of—

''(I) the last day of the first month with respect to which such recipient becomes an eligible PBGC pension recipient, or

''(II) the date of the enactment of this subparagraph.''.

(2) CONFORMING AMENDMENT.—Clause (ii) of section 172(f)(2)(B) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended to read as follows:

''(ii) QUALIFYING INDIVIDUAL.—For purposes of this subparagraph, the term 'qualifying individual' means an eligible individual and the qualifying family members of such individual if such individual meets the requirements of clauses (iii) and (iv) of section 35(b)(1)(A) of the Internal Revenue Code of 1986 and—

''(I) in the case of an eligible TAA recipient or an eligible alternative TAA recipient, has (as of the date on which the individual seeks to enroll in the coverage described in clauses (ii) through (viii) of subparagraph (A)) a period of creditable coverage (as defined in section 9801(c) of such Code), or

''(II) in the case of an eligible PBGC pension recipient, enrolls in such coverage during the 90-day period beginning on the later of—

''(aa) the last day of the first month with respect to which such recipient becomes an eligible PBGC pension recipient, or

''(bb) the date of the enactment of this clause.''.

(3) OUTREACH.—The Secretary of the Treasury shall carry out a program to notify individuals prior to their becoming eligible PBGC pension recipients (as defined in section 35 of the Internal Revenue Code of 1986) of the requirement of subsection (e)(2)(B)(ii) of such section, as added by this subsection.

(f) TAA PRE-CERTIFICATION PERIOD RULE FOR PURPOSES OF DETERMINING WHETHER THERE IS A 63-DAY LAPSE IN CREDITABLE COVERAGE.—

(1) IRC AMENDMENT.—Section 9801(c)(2) of the Internal Revenue Code of 1986 (relating to not counting periods before significant breaks in creditable coverage) is amended by adding at the end the following new subparagraph:

''(D) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date which is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 4980B(f)(5)(C)(iv).''.

(2) ERISA AMENDMENT.—Section 701(c)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 of the Internal Revenue Code of 1986 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 605(b)(4)(c).''.

(3) PHSA AMENDMENT.—Section 2701(c)(2) of the Public Health Service Act (42 U.S.C. 300gg(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 of the Internal Revenue Code of 1986 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 2205(b)(4)(c).''.

(g) RATING SYSTEM REQUIREMENT FOR CERTAIN STATE-BASED COVERAGE.—

(1) IN GENERAL.—Subparagraph (A) of section 35(e)(2) of such Code is amended by adding at the end the following new clause:

''(v) RATING SYSTEM REQUIREMENT.—In the case of coverage described in paragraph (1)(F)(ii), the premiums for such coverage are restricted, based on a community rating system with respect to eligible individuals and their qualifying family members, or based on a rate-band system under which the maximum rate which may be charged does not exceed 150 percent of the standard rate with respect to eligible individuals and their qualifying family members.''.

(2) CONFORMING AMENDMENT.—Clause (i) of section 173(f)(2)(B) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended by adding at the end the following new subclause:

''(V) RATING SYSTEM REQUIREMENT.—In the case of coverage described in subparagraph (A)(vi)(II), the premiums for such coverage are restricted, based on a community rating system with respect to eligible individuals and their qualifying family members, or based on a rate-band system under which the maximum rate which may be charged does not exceed 150 percent of the standard rate with respect to eligible individuals and their qualifying family members.''.

(h) TERMINATION OF PROGRAM.—

(1) IN GENERAL.—Section 35 of such Code is amended by adding at the end the following new subsection:

''(h) TERMINATION.—An individual shall not be treated as an eligible individual for purposes of this section or section 7527 for any month beginning after December 31, 2009, unless such individual was an eligible individual for a continuous period of months ending with such month and beginning before such date.''.

(2) CONFORMING AMENDMENT.—Subsection (f) of section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) is amended by adding at the end the following new paragraph:

''(8) TERMINATION.—An individual shall not be treated as an eligible individual for purposes of this subsection for any month beginning after December 31, 2009, unless such individual was an eligible individual for a continuous period of months ending with such month and beginning before such date.''.

(i) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to months beginning after December 31, 2007, in taxable years ending after such date.

(2) RATING SYSTEM REQUIREMENT.—The amendments made by subsection (g) shall apply to months beginning after March 31, 2008, in taxable years ending after such date.

(3) DISCRETION TO DELAY EFFECTIVE DATE FOR PURPOSES OF ADVANCE PAYMENT PROGRAM.—Solely for purposes of carrying out the advance payment program under section 7527, the Secretary may provide that one or more amendments made by subsections (b), (c), and (d) shall not apply to one or more months beginning before March 31, 2008, to the extent that the Secretary determines that such delay is necessary to properly implement any such amendment as part of such program.

(j) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study regarding the health insurance tax credit allowed under section 35 of the Internal Revenue Code of 1986.

(2) REPORT.—Not later than March 1, 2009, the Comptroller General shall submit a report to Congress regarding the results of the study conducted under paragraph (1). Such report shall include an analysis of—

(A) the administrative costs—

(i) of the Federal Government with respect to such credit and the advance payment of such credit under section 7527 of such Code, and

(ii) of providers of qualified health insurance with respect to providing such insurance to eligible individuals and their qualifying family members,

(B) the health status and relative risk status of eligible individuals and qualifying family members covered under such insurance,

(C) participation in such credit and the advance payment of such credit by eligible individuals and their qualifying family members, including the reasons why such individuals did or did not participate and the effect of the amendments made by this section on such participation, and

(D) the extent to which eligible individuals and their qualifying family members—

(i) obtained health insurance other than qualifying health insurance, or

(ii) went without health insurance coverage.

(3) ACCESS TO RECORDS.—For purposes of conducting the study required under this subsection, the Comptroller General and any of his duly authorized representatives shall have access to, and the right to examine and copy, all documents, records, and other recorded information—

(A) within the possession or control of providers of qualified health insurance, and

(B) determined by the Comptroller General (or any such representative) to be relevant to the study.

The Comptroller General shall not disclose the identity of any provider of qualified health insurance or any eligible individual in making any information obtained under this section available to the public.

(4) DEFINITIONS.—Any term which is defined in section 35 of the Internal Revenue Code of 1986 shall have the same meaning when used in this subsection.

Subtitle E—Wage Insurance

SEC. 151. REEMPLOYMENT TRADE ADJUSTMENT ASSISTANCE PROGRAM FOR OLDER WORKERS.

(a) IN GENERAL.—Section 246 of the Trade Act of 1974 (19 U.S.C. 2318) is amended—

(1) by amending the heading to read as follows: ''**REEMPLOYMENT TRADE ADJUSTMENT ASSISTANCE**'';

(2) in subsection (a)—

(A) in paragraph (1), by striking ''alternative'' and inserting ''reemployment'';

(B) in paragraph (2)(A), by striking ''for a period not to exceed 2 years'' and inserting ''for the eligibility period under paragraph (3)(C)''; and

(C) by striking paragraphs (3) through (5) and inserting the following:

''(3) ELIGIBILITY.—

''(A) IN GENERAL.—A group of workers certified under subchapter A as eligible for adjustment assistance under subchapter A is eligible for benefits described in paragraph (2) under the program established under paragraph (1).

''(B) INDIVIDUAL ELIGIBILITY.—A worker in a group of workers described in subparagraph (A) may elect to receive benefits described in paragraph (2) under the program established under paragraph (1) if the worker—

''(i) is at least 50 years of age;

''(ii) earns not more than $60,000 each year in wages from reemployment;

''(iii)(I) is employed on a full-time basis as defined by State law in the State in which the worker is employed; or

''(II) is employed at least 20 hours per week and is enrolled in training approved under section 236; and

''(iv) does not return to the employment from which the worker was separated.

In the case of a worker described in clause (iii)(II), the percentage referred to in paragraph (2)(A) shall be deemed to be a percentage equal to ½ of the ratio of weekly hours of employment referred to in clause (iii)(II) to weekly hours of employment of that worker at the time of separation (but not more than 50 percent).

''(C) ELIGIBILITY PERIOD FOR PAYMENTS.—A worker in a group of workers described in subparagraph (A) may receive payments described in paragraph (2)(A) under the program established under paragraph (1) for a period not to exceed 2 years from the date on which the worker exhausts all rights to unemployment insurance based on the separation of the worker from adversely affected employment or the date on which the worker obtains reemployment, whichever is earlier.

''(D) TRAINING.—A worker described in subparagraph (B) shall be eligible to receive training approved under section 236.

''(4) TOTAL AMOUNT OF PAYMENTS.—The payments described in paragraph (2)(A) made to a worker may not exceed $12,000 per worker during the eligibility period under paragraph (3)(C).

''(5) LIMITATION ON OTHER BENEFITS.—A worker described in paragraph (3) may not receive a trade readjustment allowance under part I of subchapter B during any week for which the worker receives a payment described in paragraph (2)(A).''; and

(3) in subsection (b)(2), by striking ''subsection (a)(3)(B)'' and inserting ''subsection (a)(3)''.

(b) EXTENSION OF PROGRAM.—Subsection (b)(1) of such section is amended by striking ''5'' and inserting ''10''.

(c) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 246 and inserting the following:

''Sec. 246. Reemployment trade adjustment assistance program.''.

Subtitle F—Other Matters

SEC. 161. AGREEMENTS WITH STATES.

(a) IN GENERAL.—Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by striking ''will'' each place it appears and inserting ''shall''; and

(2) in clause (2), to read as follows: ''(2) in accordance with subsection (f), shall provide adversely affected workers covered by a certification under subchapter A the employment and case management services described in section 235''.

(b) OUTREACH.—Subsection (f) of such section is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) by striking paragraph (4) and inserting the following:

''(4) perform outreach, intake (which may include worker profiling) and orientation for assistance and benefits available under this chapter for adversely affected workers covered by a certification under subchapter A of this chapter, and''; and

(3) by adding at the end the following:

''(5) provide adversely affected workers covered by a certification under subchapter A of this chapter with employment and case management services described in section 235.''.

SEC. 162. FRAUD AND RECOVERY OF OVERPAYMENTS.

Section 243(a)(1) of the Trade Act of 1974 (19 U.S.C. 2315(a)(1)) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by striking ''may waive'' and inserting ''shall waive''; and

(B) by striking '', in accordance with guidelines prescribed by the Secretary,'' and

(2) in subparagraph (B), by striking ''would be contrary to equity and good conscience'' and inserting ''would cause a financial hardship for the individual (or the individual's household, if applicable) when taking into consideration the income and resources reasonably available to the individual (or household) and other ordinary living expenses of the individual (or household)''.

SEC. 163. TECHNICAL AMENDMENTS.

(a) IN GENERAL.—Section 249 of the Trade Act of 1974 (19 U.S.C. 2321) is amended—

(1) in the heading, by striking ''subpena'' and inserting ''subpoena''; and

(2) in the text, by striking ''subpena'' and inserting ''subpoena'' each place it appears.

(b) CLERICAL AMENDMENT.—The item relating to section 249 in the table of contents for title II of the Trade Act of 1974 is amended to read as follows:

''249. Subpoena power.''.

SEC. 164. OFFICE OF TRADE ADJUSTMENT ASSISTANCE; DEPUTY ASSISTANT SECRETARY FOR TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Subchapter C of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.) is amended by adding at the end the following:

''SEC. 250. OFFICE OF TRADE ADJUSTMENT ASSISTANCE; DEPUTY ASSISTANT SECRETARY FOR TRADE ADJUSTMENT ASSISTANCE.

''(a) ESTABLISHMENT.—There is established in the Department of Labor an office to be known as the Office of Trade Adjustment Assistance (hereinafter in this section referred to as the 'Office').

''(b) HEAD OF OFFICE.—The head of the Office shall be the Deputy Assistant Secretary for Trade Adjustment Assistance (hereinafter in this section referred to as the 'Deputy Assistant Secretary'), who shall be appointed by the President, by and with the advice and consent of the Senate.

''(c) PRINCIPLE FUNCTIONS.—The principle functions of the Deputy Assistant Secretary shall be—

''(1) to oversee and implement the administration of trade adjustment assistance for workers under this chapter; and

''(2) to carry out functions delegated to the Secretary of Labor under this chapter, including—

''(A) making determinations under section 223 or 223A;

''(B) providing information about the program and assisting groups of workers and other parties to prepare petitions or applications for program benefits under section 225;

''(C) ensuring workers covered by a certification receive the employment services described in section 235;

''(D) ensuring States fully comply with agreements under section 239;

''(E) acting as a vigorous advocate for workers applying for assistance under this chapter;

''(F) receiving complaints, grievances, and requests for assistance from workers under this chapter;

''(G) establishing and overseeing a hotline that workers, employers, and other entities may call to obtain information regarding eligibility criteria, procedural requirements, and benefits available under this chapter; and

''(H) carrying out such other duties with respect to this chapter as the President may specify for purposes of this section.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 249 the following:

''Sec. 250. Office of Trade Adjustment Assistance; Deputy Assistant Secretary for Trade Adjustment Assistance.''.

SEC. 165. COLLECTION OF DATA AND REPORTS; INFORMATION TO WORKERS.

(a) IN GENERAL.—Subchapter C of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.) is amended by adding at the end the following:

''SEC. 250A. COLLECTION OF DATA AND REPORTS; INFORMATION TO WORKERS.

''(a) IN GENERAL.—Not later than 90 days after the date of the enactment of the Trade and Globalization Act of 2007, the Secretary shall implement a system to collect and publicly disseminate data on all adversely affected workers who apply for or receive adjustment assistance under this chapter.

''(b) DATA TO BE INCLUDED.—The system required under subsection (a) shall include collection of the following data classified by State, industry, and nationwide totals:

''(1) The number of petitions and number of workers covered by petitions filed, certified and denied.

''(2) The date of filing of each petition and the date of the determination, and the average processing time, by year, on petitions.

''(3) A breakdown, by the claimed cause of dislocation, of petitions denied, such as increased imports, shift in production, and other bases for eligibility.

''(4) A breakdown of the number of certified petitions by the cause of dislocation, such as increase in imports, shift in production, and other causes of eligibility for adjustment assistance.

''(5) The number of workers participating in any aspect of the adjustment assistance program under this chapter.

''(6) Reemployment rates and sectors in which dislocated workers have been employed after receiving adjustment assistance under this chapter.

''(7) The type of adjustment assistance received under this chapter, such as training or education assistance, reemployment adjustment assistance, cash benefits, health coverage, and relocation allowances, the number of workers receiving each type of assistance, and the average duration of time workers receive each type of assistance.

''(8) The fields of training or education in which workers receiving training or education benefits under this chapter are enrolled, the number of workers participating in each field, classified by major types of training or education.

''(9) The number of workers leaving training before completing a course of training or education, classified by the cause for early termination.

''(10) The number of training waivers granted, classified by type of waiver.

''(11) The wages of workers before separation and any job obtained after receiving benefits under the trade adjustment assistance program under this chapter.

''(12) The average duration of training that was completed.

''(c) REPORT.—Not later than 16 months after the date of the enactment of the Trade and Globalization Act of 2007, and annually thereafter, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and any other congressional committee of appropriate jurisdiction, a report on whether changes to eligibility requirements, benefits, or training funding under the trade adjustment assistance program under this chapter should be made based on the data collected under subsection (b).

''(d) AVAILABILITY ON WEBSITE OF THE DEPARTMENT OF LABOR.—The Secretary shall make the data collected under subsection (b) publicly available on the website of the Department of Labor, in a searchable format, and shall update the data quarterly.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 250 (as added by section 163(b) of this Act) the following:

''Sec. 250A. Collection of data and reports; information to workers.''.

SEC. 166. EXTENSION OF TAA PROGRAM.

(a) FOR WORKERS.—Section 245(a) of the Trade Act of 1974 (19 U.S.C. 2317(a)) is amended by striking ''December 31, 2007'' and inserting ''September 30, 2012''.

(b) TERMINATION.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended by striking ''December 31, 2007'' each place it appears and inserting ''September 30, 2012''.

(c) FOR FARMERS.—Section 298(a) of the Trade Act of 1974 (19 U.S.C. 2401g(a)) is amended by adding at the end the following: ''There are authorized to be appropriated to the Department of Agriculture not to exceed $81,000,000 for the 9-month period beginning on January 1, 2008, and $90,000,000 for each of the fiscal years 2009 through 2012 to carry out the purposes of this chapter.''.

SEC. 167. JUDICIAL REVIEW.

Section 284 of the Trade Act of 1974 (19 U.S.C. 2395) is amended—

(1) in subsection (a)—

(A) by inserting ''or 223A'' after ''223''; and

(B) by striking ''271'' and inserting ''273'';

(2) by amending subsection (b) to read as follows:

''(b) STANDARD OF REVIEW.—The Court of International Trade shall have jurisdiction to review the case as provided in section 706 of title 5, Untied States Code. The findings of fact by the Secretary of Labor, the Secretary of Commerce, or the Secretary of Agriculture, as the case may be, must be supported by substantial evidence and must be based on a reasonable investigation. The Court of International Trade may—

''(1) remand the case to such Secretary to take further evidence; or

''(2) reverse the action of such Secretary.

If the case is remanded under paragraph (1), the Secretary concerned may make new or modified findings of fact and may modify the Secretary's previous action, and shall certify to the court the record of the further proceedings. The new or modified findings of fact must be supported by substantial evidence and must be based on a reasonable investigation.''; and

(3) in subsection (c), by striking the first sentence.

SEC. 168. LIBERAL CONSTRUCTION OF CERTIFICATION OF WORKERS AND FIRMS.

(a) IN GENERAL.—Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391 et seq.) is amended by adding at the end the following:

''SEC. 288. LIBERAL CONSTRUCTION OF CERTIFICATION OF WORKERS AND FIRMS.

''The provisions of chapter 2 (relating to adjustment assistance for workers) and the provisions of chapter 3 (relating to adjustment assistance for firms) shall be liberally construed in favor of certifying workers for assistance under such chapter 2 and certifying firms for assistance under such chapter 3.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 287 the following:

''Sec. 288. Liberal construction of certification of workers and firms.''.

TITLE II—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

SEC. 201. TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) IN GENERAL.—Section 251 of the Trade Act of 1974 (19 U.S.C. 2341) is amended—

(1) in subsection (a), by inserting ''or service sector firm'' after ''(including any agricultural firm'';

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by inserting ''or service sector firm'' after ''any agricultural firm''; and

(ii) in subparagraph (B)—

(I) in clause (i), by striking '', or'' and inserting a comma;

(II) in clause (ii)—

(aa) by inserting ''or service'' after ''of an article''; and

(bb) by striking '', and'' and inserting a comma; and

(III) by adding at the end the following:

''(iii) sales or production, or both, of the firm, during the period consisting of not more than 36 months preceding the most recent 12-month period for which data are available, have decreased absolutely, or

''(iv) sales or production, or both, of an article or service that accounted for not less than 25 percent of the total production or sales of the firm during the 36-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and''; and

(B) in the matter preceding subparagraph (A) of paragraph (2) , by striking ''paragraph (1)(C)—'' and inserting ''paragraph (1)(C):''; and

(3) by adding at the end the following:

''(e) BASIS FOR THE DETERMINATION OF THE SECRETARY.—

''(1) INCREASED IMPORTS.—For purposes of subsection (c)(1)(C), the Secretary—

''(A) may use data from any of the preceding three calendar years to determine if the requirements of such subsection have been met; and

''(B) may determine that increases of imports of like or directly competitive articles or services exist if customers accounting for a significant percentage of the decrease in the sales of the firm certify to the Secretary that such customers are obtaining such articles or services from a foreign country.

''(2) PROCESS AND METHODS FOR OBTAINING CERTIFICATIONS.—

''(A) REQUEST BY PETITIONER.—If requested by a firm, the Secretary shall obtain the certifications under paragraph (1)(B) in such manner as the Secretary determines is appropriate.

''(B) PROTECTION OF CONFIDENTIAL INFORMATION.—The Secretary may not release information obtained under subparagraph (A) that the Secretary considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Secretary, or such party subsequently consents to the release of the information. Nothing in this subparagraph shall be construed to prohibit a court from requiring the submission of such confidential business information to the court in camera.

''(f) NOTIFICATION TO FIRMS OF AVAILABILITY OF BENEFITS.—Upon receiving notice from the Secretary of Labor under section 225(c) of the identity of a firm or firms that are covered by a certification issued under section 223 or 223A, the Secretary of Commerce shall notify such firm or firms of the availability of adjustment assistance under this chapter.''.

(b) DEFINITION.—Section 261 of the Trade Act of 1974 (19 U.S.C. 2351) is amended—

(1) by striking ''For purposes of'' and inserting ''(a) FIRM.—For purposes of''; and

(2) by adding at the end the following:

''(b) SERVICE SECTOR FIRM.—For purposes of this chapter, the term 'service sector firm' means a firm engaged in the business of providing services.''.

SEC. 202. EXTENSION OF AUTHORIZATION OF TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by striking ''and $4,000,000 for the 3-month period beginning on October 1, 2007,'' inserting ''and $50,000,000 for each of fiscal years 2008 through 2012,'' after ''fiscal years 2003 through 2007,''; and

(2) by inserting after the first sentence the following: ''Of the amounts appropriated pursuant to this subsection for each fiscal year, $350,000 shall be available for full-time positions in the Department of Commerce to administer the program under this chapter.''.

SEC. 203. INDUSTRY-WIDE PROGRAMS FOR THE DEVELOPMENT OF NEW SERVICES.

Section 265(a) of the Trade Act of 1974 (19 U.S.C. 2355(a)) is amended—

(1) in the first sentence, by striking ''new product development'' and inserting ''the development of new products and services''; and

(2) in the second sentence, by inserting '', 223A,'' after ''223''.

TITLE III—UNEMPLOYMENT INSURANCE

SEC. 301. SHORT TITLE.

This title may be cited as the ''Unemployment Insurance Modernization Act''.

SEC. 302. SPECIAL TRANSFERS TO STATE ACCOUNTS IN THE UNEMPLOYMENT TRUST FUND.

(a) IN GENERAL.—Section 903 of the Social Security Act (42 U.S.C. 1103) is amended by adding at the end the following:

''Special Transfers in Fiscal Years 2008 Through 2012 for Modernization

''(f)(1)(A) In addition to any other amounts, the Secretary of Labor shall provide for the making of unemployment compensation modernization incentive payments (hereinafter 'incentive payments') to the accounts of the States in the Unemployment Trust Fund, by transfer from amounts reserved for that purpose in the Federal unemployment account, in accordance with succeeding provisions of this subsection.

''(B) The maximum incentive payment allowable under this subsection with respect to any State shall, as determined by the Secretary of Labor, be equal to the amount obtained by multiplying $7,000,000,000 times the same ratio as is applicable under subsection (a)(2)(B) for purposes of determining such State's share of any funds to be transferred under subsection (a) as of October 1, 2007.

''(C) Of the maximum incentive payment determined under subparagraph (B) with respect to a State—

''(i) one-third shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (2); and

''(ii) the remainder shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (3).

''(2) The State law of a State meets the requirements of this paragraph if such State law—

''(A) uses a base period that includes the most recently completed calendar quarter before the start of the benefit year for purposes of determining eligibility for unemployment compensation; or

''(B) provides that, in the case of an individual who would not otherwise be eligible for unemployment compensation under the State law because of the use of a base period that does not include the most recently completed calendar quarter before the start of the benefit year, eligibility shall be determined using a base period that includes such calendar quarter.

''(3) The State law of a State meets the requirements of this paragraph if such State law includes provisions to carry out at least 2 of the following subparagraphs:

''(A) An individual shall not be denied regular unemployment compensation under any State law provisions relating to availability for work, active search for work, or refusal to accept work, solely because such individual is seeking only part-time (and not full-time) work, except that the State law provisions carrying out this subparagraph may exclude an individual if a majority of the weeks of work in such individual's base period do not include part-time work.

''(B) An individual shall not be disqualified from regular unemployment compensation for separating from employment if that separation is for compelling family reasons. For purposes of this subparagraph, the term 'compelling family reasons' includes at least the following:

''(i) Domestic violence (verified by such reasonable and confidential documentation as the State law may require) which causes the individual reasonably to believe that such individual's continued employment would jeopardize the safety of the individual or of any member of the individual's immediate family.

''(ii) The illness or disability of a member of the individual's immediate family.

''(iii) The need for the individual to accompany such individual's spouse—

''(I) to a place from which it is impractical for such individual to commute; and

''(II) due to a change in location of the spouse's employment.

''(C) Weekly unemployment compensation is payable under this subparagraph to any individual who is unemployed (as determined under the State unemployment compensation law), has exhausted all rights to regular and (if applicable) extended unemployment compensation under the State law, and is enrolled and making satisfactory progress in a State-approved training program or in a job training program authorized under the Workforce Investment Act of 1998. Such program shall prepare individuals who have been separated from a declining occupation, or who have been involuntarily and indefinitely separated from employment as a result of a permanent reduction of operations at the individual's place of employment, for entry into a high-demand occupation. The amount of unemployment compensation payable under this subparagraph to an individual for a week of unemployment shall be

equal to the individual's average weekly benefit amount (including dependents' allowances) for the most recent benefit year, and the total amount of unemployment compensation payable under this subparagraph to any individual shall be equal to at least 26 times the individual's average weekly benefit amount (including dependents' allowances) for the most recent benefit year.

''(4)(A) Any State seeking an incentive payment under this subsection shall submit an application therefor at such time, in such manner, and complete with such information as the Secretary of Labor may by regulation prescribe, including information relating to compliance with the requirements of paragraph (2) or (3), as well as how the State intends to use the incentive payment to improve or strengthen the State's unemployment compensation program. The Secretary of Labor shall, within 90 days after receiving a complete application, notify the State agency of the State of the Secretary's findings with respect to the requirements of paragraph (2) or (3) (or both).

''(B) If the Secretary of Labor finds that the State law provisions (disregarding any State law provisions which are not then currently in effect as permanent law or which are subject to discontinuation under certain conditions) meet the requirements of paragraph (2) or (3), as the case may be, the Secretary of Labor shall thereupon make a certification to that effect to the Secretary of the Treasury, together with a certification as to the amount of the incentive payment to be transferred to the State account pursuant to that finding. The Secretary of the Treasury shall make the appropriate transfer within 30 days after receiving such certification.

''(C)(i) No certification of compliance with the requirements of paragraph (2) or (3) may be made with respect to any State whose State law is not otherwise eligible for certification under section 303 or approvable under section 3304 of the Federal Unemployment Tax Act.

''(ii) No certification of compliance with the requirements of paragraph (3) may be made with respect to any State whose State law is not in compliance with the requirements of paragraph (2).

''(iii) No application under subparagraph (A) may be considered if submitted before October 1, 2007, or after the latest date necessary (as specified by the Secretary of Labor in regulations) to ensure that all incentive payments under this subsection are made before October 1, 2012.

''(5)(A) Except as provided in subparagraph (B), any amount transferred to the account of a State under this subsection may be used by such State only in the payment of cash benefits to individuals with respect to their unemployment (including for dependents' allowances and for unemployment compensation under paragraph (3)(C)), exclusive of expenses of administration.

''(B) A State may, subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection), use any amount transferred to the account of such State under this subsection for the administration of its unemployment compensation law and public employment offices.

''(6) Out of any money in the Federal unemployment account not otherwise appropriated, the Secretary of the Treasury shall reserve $7,000,000,000 for incentive payments under this subsection. Any amount so reserved shall not be taken into account for purposes of any determination under section 902, 910, or 1203 of the amount in the Federal unemployment account as of any given time. Any amount so reserved for which the Secretary of the Treasury has not received a certification under paragraph (4)(B) by the deadline described in paragraph (4)(C)(iii) shall, upon the close of fiscal year 2012, become unrestricted as to use as part of the Federal unemployment account.

''(7) For purposes of this subsection, the terms 'benefit year', 'base period', and 'week' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

''Special Transfers in Fiscal Years 2008 Through 2012 for Administration

''(g)(1) Notwithstanding any other provision of this section, the total amount available for transfer to the accounts of the States pursuant to subsection (a) as of the beginning of each of fiscal years 2008, 2009, 2010, 2011, and 2012 shall be equal to the total amount which (disregarding this subsection) would otherwise be so available, increased by $100,000,000.

''(2) Each State's share of any additional amount made available by this subsection shall be determined, certified, and computed in the same manner as described in subsection (a)(2) and shall be subject to the same limitations on transfers as described in subsection (b). For purposes of applying subsection (b)(2), the balance of any advances made to a State under section 1201 shall be credited against, and operate to reduce (but not below zero)—

''(A) first, any additional amount which, as a result of the enactment of this subsection, is to be transferred to the account of such State in a fiscal year; and

''(B) second, any amount which (disregarding this subsection) is otherwise to be transferred to the account of such State pursuant to subsections (a) and (b) in such fiscal year.

''(3) Any additional amount transferred to the account of a State as a result of the enactment of this subsection—

''(A) may be used by the State agency of such State only in the payment of expenses incurred by it for—

''(i) the administration of the provisions of its State law carrying out the purposes of subsection (f)(2) or any subparagraph of subsection (f)(3);

''(ii) improved outreach to individuals who might be eligible for regular unemployment compensation by virtue of any provisions of the State law which are described in clause (i);

''(iii) the improvement of unemployment benefit and unemployment tax operations; and

''(iv) staff-assisted reemployment services for unemployment compensation claimants; and

''(B) shall be excluded from the application of subsection (c).

''(4) The total additional amount made available by this subsection in a fiscal year shall be taken out of the amounts remaining in the employment security administration account after subtracting the total amount which (disregarding this subsection) is otherwise required to be transferred from such account in such fiscal year pursuant to subsections (a) and (b).''.

(b) REGULATIONS.—The Secretary of Labor may prescribe any regulations necessary to carry out the amendment made by subsection (a).

SEC. 303. EXTENSION OF FUTA TAX.

Section 3301 of the Internal Revenue Code of 1986 (relating to rate of tax) is amended—

(1) by striking ''2007'' in paragraph (1) and inserting ''2012'', and

(2) by striking ''2008'' in paragraph (2) and inserting ''2013''.

TITLE IV—MANUFACTURING REDEVELOPMENT ZONES

SEC. 401. MANUFACTURING REDEVELOPMENT ZONES.

(a) IN GENERAL.—Subchapter Y of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new part:

''PART III—MANUFACTURING REDEVELOPMENT ZONES

''SEC. 1400U–1. DESIGNATION OF MANUFACTURING REDEVELOPMENT ZONES.

''(a) IN GENERAL.—From among the areas nominated for designation under this section, the Secretary may designate manufacturing redevelopment zones.

''(b) LIMITATIONS ON DESIGNATIONS.—The Secretary may designate in the aggregate 24 nominated areas as manufacturing redevelopment zones, subject to the availability of eligible nominated areas. The Secretary shall designate manufacturing redevelopment zones in such manner that the aggregate population of all such zones does not exceed 2,000,000.

''(c) PERIOD DESIGNATION MAY BE MADE.—A designation may be made under subsection (a) only during the 2-year period beginning on the date of the enactment of this section.

''(d) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

''(1) IN GENERAL.—Any designation under this section shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

''(A) the close of the 10th calendar year beginning on or after the date of the designation,

''(B) the termination date designated by the State and local governments as provided for in their nomination, or

''(C) the date the Secretary revokes the designation.

''(2) REVOCATION OF DESIGNATION.—The Secretary may revoke the designation under this section of an area if such Secretary determines that the local government or the State in which it is located—

''(A) has modified the boundaries of the area, or

''(B) is not complying substantially with, or fails to make progress in achieving the benchmarks set forth in, the strategic plan included with the application

''(e) LIMITATIONS ON DESIGNATIONS; APPLICATION.—Rules similar to the rules of subsections (e) and (f) of section 1391 shall apply for purposes of this section except that the rules of such subsection (f) shall be applied with respect to the eligibility criteria specified in section 1400U–2.

''(f) DETERMINATIONS OF POPULATION.—Any determination of population under this part shall be made on the basis of the most recent decennial census for which data are available.

''SEC. 1400U–2. ELIGIBILITY CRITERIA.

''(a) IN GENERAL.—A nominated area shall be eligible for designation under section 1400U–1 only if—

''(1) it meets each of the criteria specified in section 1392(a),

''(2) the nominated area has experienced a significant decline in the number of individuals employed in manufacturing or has a high concentration of abandoned or underutilized manufacturing facilities, and

''(3) no portion of the nominated area is located in an empowerment zone or renewal

community, unless the local government which nominated the area elects to terminate such designation as an empowerment zone or renewal community.

''(b) APPLICATION OF CERTAIN RULES; DEFINITIONS.—For purposes of this subchapter—

''(1) rules similar to the rules of subsections (b), (c), and (d) of section 1392 and paragraphs (4), (7), (8), and (9) of section 1393(a) shall apply, and

''(2) any term defined in section 1393 shall have the same meaning when used in this subchapter.

''(c) DISCRETION TO ADJUST REQUIREMENTS.—In determining whether a nominated area is eligible for designation as a manufacturing redevelopment zone, the Secretary may, where necessary to carry out the purposes of this part, waive the requirement of section 1392(a)(4) if it is shown that the nominated area has experienced a loss of manufacturing jobs during the previous 20 years which is in excess of 25 percent.

''SEC. 1400U–3. MANUFACTURING REDEVELOPMENT TAX CREDIT BONDS.

''(a) IN GENERAL.—For purposes of subpart I of part IV of subchapter A (relating to qualified tax credit bonds), the term 'manufacturing redevelopment bond' means any bond issued as part of an issue if—

''(1) 100 percent of the available project proceeds of such issue are to be used for one or more qualified manufacturing redevelopment purposes,

''(2) the bond is not a private activity bond, and

''(3) the local government which nominated the area to which such bond relates designates such bond for purposes of this section.

''(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under subsection (a) with respect to any manufacturing redevelopment zone shall not exceed $150,000,000.

''(c) QUALIFIED MANUFACTURING REDEVELOPMENT PURPOSE.—For purposes of this section, the term 'qualified manufacturing redevelopment purposes' means capital expenditures paid or incurred with respect to property located in a manufacturing redevelopment zone for purposes of promoting development or other economic activity in such zone, including expenditures for environmental remediation, improvements to public infrastructure, and construction of public facilities.

''(d) DEFINITIONS.—For purposes of this section, any term used in this section which is also used in section 54A shall have the same meaning given such term by section 54A.

''SEC. 1400U–4. TAX-EXEMPT MANUFACTURING ZONE FACILITY BONDS.

''(a) IN GENERAL.—For purposes of part IV of subchapter B (relating to tax exemption requirements for State and local bonds), the term 'exempt facility bond' includes any bond issued as part of an issue if—

''(1) 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of such issue are to be used for manufacturing zone property, and

''(2) the local government which nominated the area to which such bond relates designates such bond for purposes of this section.

''(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

''(1) IN GENERAL.—The aggregate face amount of bonds which may be designated under subsection (a)(2) with respect to any manufacturing redevelopment zone shall not exceed $230,000,000.

''(2) CURRENT REFUNDING NOT TAKEN INTO ACCOUNT.—In the case of a refunding (or series of refundings) of a bond designated under this section, the refunding obligation shall be treated as designated under subsection (a)(2) (and shall not be taken into account in applying paragraph (1)) if—

''(A) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

''(B) the refunded bond is redeemed not later than 90 days after the date of issuance of the refunding bond.

''(c) LIMITATION ON AMOUNT OF BONDS ALLOCABLE TO ANY PERSON.—

''(1) IN GENERAL.—Subsection (a) shall not apply to any issue if the aggregate amount of outstanding manufacturing zone facility bonds allocable to any person (taking into account such issue) exceeds—

''(A) $15,000,000 with respect to any 1 manufacturing redevelopment zone, or

''(B) $20,000,000 with respect to all manufacturing redevelopment zones.

''(2) AGGREGATE ENTERPRISE ZONE FACILITY BOND BENEFIT.—For purposes of paragraph (1), the aggregate amount of outstanding manufacturing zone facility bonds allocable to any person shall be determined under rules similar to the rules of section 144(a)(10), taking into account only bonds to which subsection (a) applies.

''(d) MANUFACTURING ZONE PROPERTY.—For purposes of this section—

''(1) IN GENERAL.—The term 'manufacturing zone property' means any property to which section 168 applies (or would apply but for section 179) if—

''(A) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after the date on which the designation of the manufacturing redevelopment zone took effect,

''(B) the original use of which in the manufacturing redevelopment zone commences with the taxpayer, and

''(C) substantially all of the use of which is in the manufacturing redevelopment zone and is in the active conduct of a qualified business by the taxpayer in such zone.

''(2) QUALIFIED BUSINESS.—The term 'qualified business' means any trade or business except that—

''(A) the rental to others of real property located in a manufacturing redevelopment zone shall be treated as a qualified business only if the property is not residential rental property (as defined in section 168(e)(2)), and

''(B) such term shall not include any trade or business consisting of the operation of any facility described in section 144(c)(6)(B).

''(3) SPECIAL RULES FOR SUBSTANTIAL RENOVATIONS AND SALE-LEASEBACK.—Rules similar to the rules of subsections (a)(2) and (b) of section 1397D shall apply for purposes of this subsection.

''(e) NONAPPLICATION OF CERTAIN RULES.—Sections 57(a)(5) (relating to tax-exempt interest), 146 (relating to volume cap), and 147(d) (relating to acquisition of existing property not permitted) shall not apply to any manufacturing zone facility bond.

''SEC. 1400U–5. ADDITIONAL LOW-INCOME HOUSING CREDITS.

''(a) IN GENERAL.—For purposes of section 42, in the case of each calendar year during which the designation of a manufacturing redevelopment zone is in effect, the State housing credit ceiling of the State which includes such manufacturing redevelopment zone shall be increased by the lesser of—

''(1) the aggregate housing credit dollar amount allocated by the State housing credit agency of such State to buildings located in such manufacturing redevelopment zone for such calendar year, or

''(2) the excess of—

''(A) the manufacturing zone housing amount with respect to such manufacturing redevelopment zone, over

''(B) the aggregate increases under this subsection with respect to such zone for all preceding calendar years.

''(b) MANUFACTURING ZONE HOUSING AMOUNT.—For purposes of subsection (a), the term 'manufacturing zone housing amount' means, with respect to any manufacturing redevelopment zone, the product of $20 multiplied by the population of such zone.

''(c) OTHER RULES.—

''(1) CARRYOVERS.—Rules similar to the rules of section 1400N(c)(1)(C) shall apply for purposes of this section.

''(2) RETURNED AMOUNTS.—If any amount of State housing credit ceiling which was taken into account under subsection (a)(1) is returned within the meaning of section 42(h)(3)(C)(iii)—

''(A) such amount shall not be taken into account under such section, and

''(B) such allocation shall cease to be treated as an increase under this subsection for purposes of subsection (a)(2)(B) until reallocated.''.

(b) APPLICATION OF WORK OPPORTUNITY TAX CREDIT TO MANUFACTURING REDEVELOPMENT ZONES.—Subparagraphs (A) and (B) of section 51(d)(5) of such Code are each amended by inserting ''manufacturing redevelopment zone,'' after ''renewal community,''.

(c) CONFORMING AMENDMENTS RELATED TO MANUFACTURING REDEVELOPMENT TAX CREDIT BONDS.—

(1) GENERAL RULES.—Part IV of subchapter A of chapter 1 of such Code (relating to credits against tax) is amended by adding at the end the following new subpart:

''Subpart I—Qualified Tax Credit Bonds

''Sec. 54A. Credit to holders of qualified tax credit bonds.

''SEC. 54A. CREDIT TO HOLDERS OF QUALIFIED TAX CREDIT BONDS.

''(a) ALLOWANCE OF CREDIT.—If a taxpayer holds a qualified tax credit bond on one or more credit allowance dates of the bond during any taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to such dates.

''(b) AMOUNT OF CREDIT.—

''(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified tax credit bond is 25 percent of the annual credit determined with respect to such bond.

''(2) ANNUAL CREDIT.—The annual credit determined with respect to any qualified tax credit bond is the product of—

''(A) the applicable credit rate, multiplied by

''(B) the outstanding face amount of the bond.

''(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (2), the applicable credit rate is the rate which the Secretary estimates will permit the issuance of qualified tax credit bonds with a specified maturity or redemption date without discount and without interest cost to the qualified issuer. The applicable credit rate with respect to any qualified tax credit bond shall be determined as of the first day on which there is a binding, written contract for the sale or exchange of the bond.

''(4) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed or matures.

''(c) LIMITATION BASED ON AMOUNT OF TAX.—

''(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under this part (other than subpart C and this subpart).

''(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year (determined before the application of paragraph (1) for such succeeding taxable year).

''(d) QUALIFIED TAX CREDIT BOND.—For purposes of this section—

''(1) QUALIFIED TAX CREDIT BOND.—The term 'qualified tax credit bond' means a manufacturing redevelopment bond (as defined in section 1400U–3) which is part of an issue that meets the requirements of paragraphs (2), (3), (4), (5), and (6).

''(2) SPECIAL RULES RELATING TO EXPENDITURES.—

''(A) IN GENERAL.—An issue shall be treated as meeting the requirements of this paragraph if, as of the date of issuance, the issuer reasonably expects—

''(i) 100 percent or more of the available project proceeds to be spent for 1 or more qualified purposes within the 3-year period beginning on such date of issuance, and

''(ii) a binding commitment with a third party to spend at least 10 percent of such available project proceeds will be incurred within the 6-month period beginning on such date of issuance.

''(B) FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 3 YEARS.—

''(i) IN GENERAL.—To the extent that less than 100 percent of the available project proceeds of the issue are expended by the close of the expenditure period for 1 or more qualified purposes, the issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

''(ii) EXPENDITURE PERIOD.—For purposes of this subpart, the term 'expenditure period' means, with respect to any issue, the 3-year period beginning on the date of issuance. Such term shall include any extension of such period under clause (iii).

''(iii) EXTENSION OF PERIOD.—Upon submission of a request prior to the expiration of the expenditure period (determined without regard to any extension under this clause), the Secretary may extend such period if the issuer establishes that the failure to expend the proceeds within the original expenditure period is due to reasonable cause and the expenditures for qualified purposes will continue to proceed with due diligence.

''(C) QUALIFIED PURPOSE.—For purposes of this paragraph, the term 'qualified purpose' means a purpose specified in section 1400U-3(a)(1).

''(D) REIMBURSEMENT.—For purposes of this subtitle, available project proceeds of an issue shall be treated as spent for a qualified purpose if such proceeds are used to reimburse the issuer for amounts paid for a qualified purpose after the date that the Secretary makes an allocation of bond limitation with respect to such issue, but only if—

''(i) prior to the payment of the original expenditure, the issuer declared its intent to reimburse such expenditure with the proceeds of a qualified tax credit bond,

''(ii) not later than 60 days after payment of the original expenditure, the issuer adopts an official intent to reimburse the original expenditure with such proceeds, and

''(iii) the reimbursement is made not later than 18 months after the date the original expenditure is paid.

''(3) REPORTING.—An issue shall be treated as meeting the requirements of this paragraph if the issuer of qualified tax credit bonds submits reports similar to the reports required under section 149(e).

''(4) SPECIAL RULES RELATING TO ARBITRAGE.—

''(A) IN GENERAL.—An issue shall be treated as meeting the requirements of this paragraph if the issuer satisfies the requirements of section 148 with respect to the proceeds of the issue.

''(B) SPECIAL RULE FOR INVESTMENTS DURING EXPENDITURE PERIOD.—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any investment of available project proceeds during the expenditure period.

''(C) SPECIAL RULE FOR RESERVE FUNDS.—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any fund which is expected to be used to repay such issue if—

''(i) such fund is funded at a rate not more rapid than equal annual installments,

''(ii) such fund is funded in a manner that such fund will not exceed the amount necessary to repay the issue if invested at the maximum rate permitted under clause (iii), and

''(iii) the yield on such fund is not greater than the discount rate determined under paragraph (5)(B) with respect to the issue.

''(5) MATURITY LIMITATION.—

''(A) IN GENERAL.—An issue shall not be treated as meeting the requirements of this paragraph if the maturity of any bond which is part of such issue exceeds the maximum term determined by the Secretary under subparagraph (B).

''(B) MAXIMUM TERM.—During each calendar month, the Secretary shall determine the maximum term permitted under this paragraph for bonds issued during the following calendar month. Such maximum term shall be the term which the Secretary estimates will result in the present value of the obligation to repay the principal on the bond being equal to 50 percent of the face amount of such bond. Such present value shall be determined using as a discount rate the average annual interest rate of tax-exempt obligations having a term of 10 years or more which are issued during the month. If the term as so determined is not a multiple of a whole year, such term shall be rounded to the next highest whole year.

''(e) OTHER DEFINITIONS.—For purposes of this subchapter—

''(1) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means—

''(A) March 15,

''(B) June 15,

''(C) September 15, and

''(D) December 15.

Such term includes the last day on which the bond is outstanding.

''(2) BOND.—The term 'bond' includes any obligation.

''(3) STATE.—The term 'State' includes the District of Columbia and any possession of the United States.

''(4) AVAILABLE PROJECT PROCEEDS.—The term 'available project proceeds' means—

''(A) the excess of—

''(i) the proceeds from the sale of an issue, over

''(ii) the issuance costs financed by the issue (to the extent that such costs do not exceed 2 percent of such proceeds), and

''(B) the proceeds from any investment of the excess described in subparagraph (A).

''(f) CREDIT TREATED AS INTEREST.—For purposes of this subtitle, the credit determined under subsection (a) shall be treated as interest which is includible in gross income.

''(g) S CORPORATIONS AND PARTNERSHIPS.—In the case of a tax credit bond held by an S corporation or partnership, the allocation of the credit allowed by this section to the shareholders of such corporation or partners of such partnership shall be treated as a distribution.

''(h) BONDS HELD BY REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—If any qualified tax credit bond is held by a regulated investment company or a real estate investment trust, the credit determined under subsection (a) shall be allowed to shareholders of such company or beneficiaries of such trust (and any gross income included under subsection (f) with respect to such credit shall be treated as distributed to such shareholders or beneficiaries) under procedures prescribed by the Secretary.

''(i) CREDITS MAY BE STRIPPED.—Under regulations prescribed by the Secretary—

''(1) IN GENERAL.—There may be a separation (including at issuance) of the ownership of a qualified tax credit bond and the entitlement to the credit under this section with respect to such bond. In case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the entitlement to the credit and not to the holder of the bond.

''(2) CERTAIN RULES TO APPLY.—In the case of a separation described in paragraph (1), the rules of section 1286 shall apply to the qualified tax credit bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.''.

(2) REPORTING.—Subsection (d) of section 6049 of such Code (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

''(9) REPORTING OF CREDIT ON QUALIFIED TAX CREDIT BONDS.—

''(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54A and such amounts shall be treated as paid on the credit allowance date (as defined in section 54A(e)(1)).

''(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

''(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.''.

(3) OTHER CONFORMING AMENDMENTS RELATED TO TAX CREDIT BONDS.—

(A) Sections 54(c)(2) and 1400N(l)(3)(B) of such Code are each amended by striking ''subpart C'' and inserting ''subparts C and I''.

(B) Section 1397E(c)(2) of such Code is amended by striking ''subpart H'' and inserting ''subparts H and I''.

(C) Section 6401(b)(1) of such Code is amended by striking ''and H'' and inserting ''H, and I''.

(D) The heading of subpart H of part IV of subchapter A of chapter 1 of such Code is amended by striking ''**Certain Bonds**'' and inserting ''**Clean Renewable Energy Bonds**''.

(E) The table of subparts for part IV of subchapter A of chapter 1 of such Code is

amended by striking the item relating to subpart H and inserting the following new items:

''SUBPART H—NONREFUNDABLE CREDIT TO HOLDERS OF CLEAN RENEWABLE ENERGY BONDS

''SUBPART I—QUALIFIED TAX CREDIT BONDS''.

(d) CLERICAL AMENDMENT.—The table of parts for subchapter Y of chapter 1 of such Code is amended by adding at the end the following new item:

''PART III—MANUFACTURING REDEVELOPMENT BONDS''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) BOND PROVISIONS.—Sections 1400U-3 and 1400U-4 of the Internal Revenue Code of 1986 (as added by subsection (a)), and the amendments made by subsection (c), shall apply to obligations issued after the date of the enactment of this Act.

(3) WORK OPPORTUNITY TAX CREDIT.—The amendments made by subsection (b) shall apply to individuals who begin work for the employer after the date of the enactment of this Act.

SEC. 402. DELAY IN APPLICATION OF WORLDWIDE INTEREST ALLOCATION.

(a) IN GENERAL.—Paragraphs (5)(D) and (6) of section 864(f) of the Internal Revenue Code of 1986 are each amended by striking ''December 31, 2008'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

The SPEAKER pro tempore (Mr. SERRANO). Pursuant to House Resolution 781, the amendment in the nature of a substitute printed in the bill, modified by the amendment printed in part A of House Report 110–417, is adopted and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 3920

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Trade and Globalization Assistance Act of 2007''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Since January 2001, the United States economy has lost nearly 3 million jobs in the manufacturing sector alone.

(2) Today, over 7.1 million people in the United States are unemployed, and nearly 1.2 million of those individuals have been unemployed for 6 months or longer.

(3) While the United States manufacturing sector has been the hardest hit by increased unemployment, the United States service sector has also seen declines as jobs have moved to low-cost labor markets, such as China, India, and the Philippines.

(4) Promoting the economic growth and competitiveness of the United States requires—

(A) opening substantial new markets for United States goods, services, and farm products;

(B) building a strong framework of rules for international trade to level the playing field for United States workers and businesses in all sectors of the economy; and

(C) helping those affected by globalization overcome its challenges and succeed.

(5) Congress created the trade adjustment assistance program in 1962 to provide United States workers who lose their jobs because of foreign competition with government-funded training and associated income support to enable such workers to transition to new, good-paying jobs.

(6) Unfortunately, the trade adjustment assistance program has not kept pace with globalization and it is failing to ensure that all workers adversely affected by trade receive the assistance they need and deserve.

(7) Workers in the service sector, who make up approximately 80 percent of the United States workforce, are ineligible for trade adjustment assistance.

(8) Inadequate funding for training leaves many dislocated workers without access to the retraining they need to find good-paying jobs.

(9) Unnecessary, unduly burdensome, and confusing program eligibility rules prevent workers from gaining access to benefits for which they are eligible.

(10) The health coverage tax credit suffers from fundamental flaws and, as a result, the credit is not being used by the vast majority of people who are eligible for it, despite a clear need for access to affordable health care.

(11) To meet the challenges posed by globalization and to preserve the critical role that United States workers play in promoting the strength and prosperity of the United States, the trade adjustment assistance program must be reformed.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Trade Adjustment Assistance for Service Sector Workers; Expansion of Covered Shifts in Production; Expansion of Downstream Secondary Worker Eligibility

SEC. 101. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE TO SERVICES SECTOR; SHIFTS IN PRODUCTION.

(a) PETITIONS.—Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)(1)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''Secretary'' and inserting ''Secretary of Labor''; and

(ii) by striking ''or subdivision'' and inserting ''or public agency, or subdivision of a firm or public agency,''; and

(B) in subparagraph (A), by striking ''firm)'' and inserting ''firm, and workers in a service sector firm or subdivision of a service sector firm, or of a public agency or subdivision thereof)''; and

(2) in paragraph (3), by inserting ''and on the Website of the Department of Labor'' after ''Federal Register''.

(b) GROUP ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—Subsection (a) of section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended—

(A) in the matter preceding paragraph (1), by striking ''(including workers in any agricultural firm or subdivision of an agricultural firm)'' and inserting ''(other than workers in a public agency)'';

(B) in paragraph (2)—

(i) in subparagraph (A)(ii), by striking ''like or directly competitive with articles produced'' and inserting ''or services like or directly competitive with articles produced or services provided''; and

(ii) by striking subparagraph (B) and inserting the following:

''(B)(i) there has been a shift, by such workers' firm or subdivision to a foreign country, of production of articles, or in provision of services, like or directly competitive with articles produced, or services provided, by such firm or subdivision; or

''(ii) such workers' firm or subdivision has obtained or is likely to obtain articles or services described in clause (i) from a foreign country.''.

(2) WORKERS IN PUBLIC AGENCIES.—Such section is further amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(B) by inserting after subsection (a) the following:

''(b) ADVERSELY AFFECTED WORKERS IN PUBLIC AGENCIES.—A group of workers in a public agency shall be certified by the Secretary as eligible to apply for adjustment assistance under this chapter pursuant to a petition filed under section 221 if the Secretary determines that—

''(1) a significant number or proportion of the workers in the public agency, or an appropriate subdivision of the public agency, have become totally or partially separated, or are threatened to become totally or partially separated; and

''(2) the public agency or subdivision has obtained or is likely to obtain from a foreign country services that would otherwise be provided by such agency or subdivision.''.

(3) ADVERSELY AFFECTED SECONDARY WORKERS.—Subsection (c) of such section (as redesignated by paragraph (2)(A) of this subsection) is amended—

(A) in the matter preceding paragraph (1), by striking ''agricultural firm)'' and inserting ''agricultural firm, and workers in a service sector firm or subdivision of a service sector firm)'';

(B) in paragraph (2)—

(i) by inserting ''or service'' after ''related to the article''; and

(ii) by striking ''(c)(3)'' and inserting ''(d)(3)''; and

(C) in paragraph (3)(A), by striking ''it supplied to the firm (or subdivision)'' and inserting ''or services it supplied to the firm (or subdivision)''.

(4) DEFINITIONS AND ELIGIBILITY.—Subsection (d) of such section (as redesignated by paragraph (2)(A) of this subsection) is amended—

(A) by striking ''(d) For purposes of this section—'' and inserting ''(d) DEFINITIONS AND ELIGIBILITY.—For purposes of this section:''

(B) in paragraph (3), to read as follows:

''(3) DOWNSTREAM PRODUCER.—The term 'downstream producer' means a firm that performs additional, value-added production processes or services for a firm or subdivision, including a firm that performs final assembly, finishing, testing, packaging, or maintenance or transportation services directly for another firm (or subdivision), for articles or services that were the basis for a certification of eligibility under subsection (a) of a group of workers employed by such other firm (or subdivision).'';

(C) in paragraph (4)—

(i) by striking ''for articles'' and inserting '', or services, used in the production of articles or in the provision of services, as the case may be,''; and

(ii) by inserting ''(or subdivision)'' after ''such other firm''; and

(D) by adding at the end the following:

''(5) FIRMS IDENTIFIED BY ITC.—A petition filed under section 221 covering a group of workers from a firm or appropriate subdivision of a firm meets the requirements of subsection (a) if the firm is identified by the International Trade Commission under subsection (c), (d), or (e) of section 224.''.

(5) BASIS FOR SECRETARY'S DETERMINATIONS.—Such section is further amended by adding at the end the following:

''(e) BASIS FOR SECRETARY'S DETERMINATIONS.—

''(1) INCREASED IMPORTS OF SERVICES.—For purposes of subsection (a)(2)(A)(ii), the Secretary may determine that increased imports of like or directly competitive services exist if the customers of the workers' firm or subdivision accounting for not less than 20 percent of the sales of the workers' firm or subdivision (as the case may be) certify to the Secretary that such customers are obtaining such services from a foreign country.

''(2) SHIFT IN PRODUCTION; OBTAINING ARTICLES OR SERVICES ABROAD.—For purposes of subsections (a)(2)(B) and (b)(2), the Secretary may determine that there has been a shift in production of articles or provision of services, or that a workers' firm or public agency, or subdivision thereof, has obtained or is likely to obtain like or directly competitive articles or services from a foreign country, based on a certification thereof from the workers' firm, public agency, or subdivision (as the case may be).

''(3) PROCESS AND METHODS FOR OBTAINING CERTIFICATIONS.—

''(A) REQUEST BY PETITIONER.—If requested by the petitioner, the Secretary shall obtain the certifications under paragraphs (1) and (2) in such manner as the Secretary determines is appropriate, including by issuing subpoenas under section 249 when necessary.

''(B) PROTECTION OF CONFIDENTIAL INFORMATION.—The Secretary may not release information obtained under subparagraph (A) that the Secretary considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Secretary, or such party subsequently consents to the release of the information. Nothing in this subparagraph shall be construed to prohibit a court from requiring the submission of such confidential business information to the court in camera.''.

(c) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended—

(1) in the matter preceding paragraph (1), by striking ''chapter—'' and inserting ''chapter:'';

(2) in paragraph (1)—

(A) by inserting '', or employment in a public agency or appropriate subdivision of a public agency,'' after ''of a firm''; and

(B) by striking ''such firm or subdivision'' inserting ''such firm (or subdivision) or public agency (or subdivision)'';

(3) in paragraph (2), by striking ''employment—'' and all that follows and inserting ''employment, has been totally or partially separated from such employment.'';

(4) by redesignating paragraphs (8) through (17) as paragraphs (10) through (19), respectively; and

(5) by inserting after paragraph (6) the following:

''(7) The term 'public agency' means a department or agency of a State or local government or of the Federal Government.

''(8) The term 'service sector firm' means an entity engaged in the business of providing services.

''(9) Except as otherwise provided, the term 'Secretary' means the Secretary of Labor.''.

SEC. 102. DETERMINATIONS BY SECRETARY OF LABOR.

Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) is amended—

(1) in subsection (b), by striking ''before his application'' and all that follows and inserting ''before the worker's application under section 231 occurred more than one year before the date of the petition on which such certification was granted.'';

(2) in subsection (c), by striking ''together with his reasons'' and inserting ''and on the Website of the Department of Labor, together with the Secretary's reasons''; and

(3) in subsection (d)—

(A) by striking ''subdivision of the firm'' and all that follows through ''he shall'' and inserting ''subdivision of the firm, or of a public agency or subdivision of a public agency, that total or partial separations from such firm (or subdivision) or public agency (or subdivision) are no longer attributable to the conditions specified in section 222, the Secretary shall''; and

(B) by striking ''together with his reasons'' and inserting ''and on the Website of the Department of Labor, together with the Secretary's reasons''.

SEC. 103. MONITORING AND REPORTING RELATING TO SERVICE SECTOR.

(a) IN GENERAL.—Section 282 of the Trade Act of 1974 (19 U.S.C. 2393) is amended—

(1) in the heading, by striking ''***SYSTEM***'' and inserting ''***AND DATA COLLECTION***'';

(2) in the first sentence—

(A) by striking ''The Secretary'' and inserting ''(a) MONITORING PROGRAMS.—The Secretary'';

(B) by inserting ''and services'' after ''imports of articles'';

(C) by inserting ''and domestic provision of services'' after ''domestic production'';

(D) by inserting ''or providing services'' after ''producing articles''; and

(E) by inserting '', or provision of services,'' after ''changes in production''; and

(3) by adding at the end the following:

''(b) COLLECTION OF DATA AND REPORTS ON SERVICE SECTOR.—

''(1) SECRETARY OF LABOR.—Not later than 90 days after the date of the enactment of the Trade and Globalization Assistance Act of 2007, the Secretary of Labor shall implement a system to collect data on adversely affected workers employed in the service sector that includes the number of workers by State, industry, and cause of dislocation of each worker.

''(2) SECRETARY OF COMMERCE.—Not later than 1 year after such date of enactment, the Secretary of Commerce shall, in consultation with the Secretary of Labor, conduct a study and report to Congress on ways to improve the timeliness and coverage of data on trade in services, including methods to identify increased imports due to the relocation of United States firms to foreign countries, and increased imports due to United States firms obtaining services from firms in foreign countries.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 282 and inserting the following:

''Sec. 282. Trade monitoring and data collection.''.

Subtitle B—Industry-Wide Trade Adjustment Assistance

SEC. 111. INDUSTRY-WIDE DETERMINATIONS.

(a) IN GENERAL.—Subchapter A of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding after section 223 the following:

''SEC. 223A. INDUSTRY-WIDE DETERMINATIONS.

''(a) INVESTIGATION.—Upon the request of the President or the United States Trade Representative, or the resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, with respect to a domestic industry, or if the Secretary certifies groups of workers in a domestic industry under section 223(a) pursuant to 3 petitions within a 180-day period, the Secretary shall promptly initiate an investigation under this chapter to determine the eligibility for adjustment assistance of—

''(1) all workers in that domestic industry; or

''(2) all workers in that domestic industry in a specific geographic region.

''(b) DETERMINATION REGARDING INDUSTRY-WIDE CERTIFICATION.—The Secretary shall, not later than 60 days after receiving a request or resolution described in subsection (a) with respect to a domestic industry, or making the

third certification of workers in a domestic industry described in subsection (a), as the case may be—

''(1) determine whether all adversely affected workers in that domestic industry are eligible to apply for assistance under this subchapter, in accordance with the criteria established under subsection (e); or

''(2) determine whether all adversely affected workers in that domestic industry in a specific geographic region are eligible to apply for assistance under this subchapter, in accordance with the criteria established under subsection (e).

''(c) IDENTIFICATION AND CERTIFICATION.—

''(1) AFFIRMATIVE DETERMINATION.—

''(A) IN GENERAL.—Upon making an affirmative determination under subsection (b), the Secretary shall—

''(i) identify all firms operating within the domestic industry described in paragraph (1) or (2) of subsection (b) that are covered by the determination; and

''(ii) certify all workers of such firms as a group of workers eligible to apply for assistance under this subchapter, without any other determination of whether such group meets the requirements of section 222.

''(B) OTHER REQUIREMENTS.—

''(i) IN GENERAL.—Each certification under subparagraph (A)(ii) shall specify the date on which the total or partial separation began or threatened to begin, except that—

''(I) with respect to a request or a resolution under subsection (a), such date may not be a date that precedes one year before the date on which the Secretary receives the request or resolution, as the case may be; and

''(II) with respect to the third certification of workers in a domestic industry described in subsection (a), such date may not be a date that precedes one year before the date on which the Secretary certifies the 3d such petition.

''(ii) INAPPLICABILITY.—A certification under subparagraph (A)(ii) shall not apply to any worker whose last total or partial separation from the firm occurred before the applicable date specified in clause (i).

''(iii) TRAINING BEFORE SEPARATION.—Any worker covered by a certification under subparagraph (A)(ii) shall be deemed to be an adversely affected worker for purposes of receiving services under section 235 and training under section 236, without regard to whether the worker has been totally or partially separated from employment. In the case of a worker not totally or partially separated from employment, the reference in section 236(a)(1)(A) to 'suitable employment' shall be deemed not to refer to such employment.

''(2) NEGATIVE DETERMINATION.—If the Secretary makes a negative determination under subsection (b), the Secretary shall notify the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate of the reasons for the Secretary's determination.

''(3) PUBLICATION.—Upon making a determination under subsection (b), the Secretary shall promptly publish a summary of the determination in the Federal Register and on the Website of the Department of Labor, together with the reasons for making such determination.

''(4) TERMINATION.—Whenever the Secretary determines that a certification under paragraph (1) is no longer warranted, the Secretary shall terminate the certification and promptly have notice of the termination published in the Federal Register and on the Website of the Department of Labor, together with the reasons for making such determination under this paragraph. Such termination shall apply only with respect to total or partial separations occurring after the termination date specified by the Secretary. In the case of a worker described in paragraph (1)(B)(iii), no services described in section 235 or training described in section 236 may be initiated after such termination date.

''(d) OUTREACH.—Upon making a certification under subsection (c)(1) of eligibility for adjustment assistance under this chapter of a group of workers or all workers in a domestic industry, the Secretary shall notify each Governor of a State in which the workers are located of the certification.

''(e) REGULATIONS.—The Secretary shall, not later than 1 year after the date of the enactment of the Trade and Globalization Assistance Act of 2007, issue regulations for making determinations under this section, including criteria for making such determinations. The Secretary shall develop such regulations in consultation with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, and the Secretary shall submit such regulations to each such committee at least 60 days before the regulations go into effect.

''(f) DOMESTIC INDUSTRY DEFINED.—In this section, the term 'domestic industry' means an industry in the United States, as that industry is defined by the North American Industry Classification System.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 223 the following:

''Sec. 223A. Industry-wide determinations.''.

(c) CONFORMING AMENDMENTS.—Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended—

(1) in section 225—

(A) in subsection (a), in the last sentence by inserting ''or 223A'' after ''223''; and

(B) in subsection (b)—

(i) in paragraph (1), by striking ''subchapter A of this chapter'' and inserting ''this subchapter''; and

(ii) in paragraph (2), by striking ''subchapter A'' and inserting ''this subchapter''; and

(2) in section 231—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by striking ''more than 60 days'' and all that follows through ''section 221'' and inserting ''on or after the date of such certification''; and

(ii) in paragraph (1)—

(I) in subparagraph (B), by inserting ''or 223A (as the case may be)'' after ''223''; and

(II) in subparagraph (C), by inserting ''or 223A(c)(4), as the case may be'' after ''223(d)''; and

(B) in subsection (b)—

(i) by striking paragraph (2); and

(ii) in paragraph (1)—

(I) by striking ''(1)'';

(II) by redesignating subparagraphs (A) and (B) as paragraph (1) and (2), respectively;

(III) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(IV) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively.

SEC. 112. NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS AND SAFEGUARDS.

(a) IN GENERAL.—Section 224 of the Trade Act of 1974 (19 U.S.C. 2274) is amended—

*(1) in the heading, by striking ''**STUDY BY SECRETARY OF LABOR WHEN INTERNATIONAL TRADE COMMISSION BEGINS INVESTIGATION**'' and inserting ''**STUDY AND NOTIFICATIONS REGARDING TRADE REMEDY DETERMINATIONS**'';*

(2) in subsection (a), by striking ''Whenever'' and inserting ''STUDY OF DOMESTIC INDUSTRY.—Whenever'';

(3) in subsection (b)—

(A) by striking ''The report'' and inserting ''REPORT BY THE SECRETARY.—The report'';

(B) by striking ''his report'' and inserting ''the Secretary's report''; and

(C) by inserting ''and on the Website of the Department of Labor'' after ''Federal Register''; and

(4) by adding at the end the following:

''(c) NOTIFICATIONS REGARDING AFFIRMATIVE SAFEGUARD DETERMINATIONS UNDER SECTION 202.—Upon issuing an affirmative finding regarding serious injury, or the threat thereof, to a domestic industry, under section 202, the Commission shall notify the Secretary and the Secretary of Commerce of that finding and the identity of the firms which comprise the domestic industry.

''(d) NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS UNDER SECTION 421.—Upon issuing an affirmative determination of market disruption, or the threat thereof, under section 421, the Commission shall notify the Secretary and the Secretary of Commerce of that determination and the identity of the firms which comprise the affected domestic industry.

''(e) NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS UNDER TARIFF ACT OF 1930.—Upon issuing a final affirmative determination of injury, or the threat thereof, under section 705 or section 735 of the Tariff Act of 1930 (19 U.S.C. 1671d and 1673d), the Commission shall notify the Secretary and the Secretary of Commerce of that determination and the identity of the firms which comprise the affected domestic industry.

''(f) NOTIFICATION OF INDUSTRY AND WORKER REPRESENTATIVES.—Whenever the Commission makes a notification under subsection (c), (d), or (e)—

''(1) the Secretary shall—

''(A) notify the firms identified by the Commission as comprising the domestic industry affected, and any certified or recognized union or other duly authorized representatives of the workers in such industry, of the allowances, training, employment services, and other benefits available under this chapter, and the procedures under this chapter for filing petitions and applying for benefits;

''(B) notify the Governor of each State in which one or more firms described in subparagraph (A) are located of the Commission's determination and the identity of the firms; and

''(C) provide the necessary assistance to employers, groups of workers, and any certified or recognized union or other duly authorized representatives of such workers to file petitions under section 221; and

''(2) the Secretary of Commerce shall—

''(A) notify the firms identified by the Commission as comprising the domestic industry affected of the benefits under chapter 3 and the procedures under such chapter for filing petitions and applying for benefits; and

''(B) provide the necessary assistance to firms to file petitions under section 251.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 224 and inserting the following:

''Sec. 224. Study and notifications regarding trade remedy determinations.''.

SEC. 113. NOTIFICATION TO SECRETARY OF COMMERCE.

Section 225 of the Trade Act of 1974 (19 U.S.C. 2275) is amended by adding at the end the following:

''(c) Upon issuing a certification under section 223 or 223A, the Secretary shall notify the Secretary of Commerce of the identify of the firm or firms that are covered by the certification.''.

Subtitle C—Program Benefits

SEC. 121. QUALIFYING REQUIREMENTS FOR WORKERS.

(a) IN GENERAL.—Subsection (a)(5)(A)(ii) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended—

(1) by striking subclauses (I) and (II) and inserting the following:

''(I) in the case of a worker whose most recent total separation from adversely affected employment that meets the requirements of paragraphs (1) and (2) occurs after the date on which the Secretary issues a certification covering the worker, the last day of the 26th week after such total separation,

''(II) in the case of a worker whose most recent total separation from adversely affected

employment that meets the requirements of paragraphs (1) and (2) occurs before the date on which the Secretary issues a certification covering the worker, the last day of the 26th week after the date of such certification,''; and

(2) in subclause (III)—

(A) by striking ''later of the dates specified in subclause (I) or (II)'' and inserting ''date specified in subclause (I) or (II), as the case may be''; and

(B) by striking ''or'' at the end;

(3) by redesignating subclause (IV) as subclause (V); and

(4) by inserting after subclause (III) the following:

''(IV) the last day of such period that the Secretary determines appropriate, if the failure to enroll is due to the failure to provide the worker with timely information regarding the date specified in subclause (I) or (II), as the case may be, or''.

(b) WAIVERS OF TRAINING REQUIREMENTS.—Subsection (c) of such section 231 is amended—

(1) in paragraph (1)(B)—

(A) by striking ''The worker possesses'' and inserting

''(i) IN GENERAL.—The worker possesses'';

(B) by moving the remaining text 2 ems to the right; and

(C) by adding at the end the following:

''(ii) MARKETABLE SKILLS DEFINED.—For purposes of clause (i), the term 'marketable skills' may include the possession of a postgraduate degree from an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965) or equivalent institution, or the possession of an equivalent postgraduate certification in a specialized field.''; and

(2) in paragraph (3)—

(A) in subparagraph (A), by striking ''may authorize'' and inserting ''shall authorize'';

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following:

''(B) DURATION OF WAIVERS.—A waiver issued under paragraph (1) by a cooperating State shall be effective for not more than 3 months after the date on which the waiver is issued, except that the State, upon reviewing the waiver, may extend the waiver for an additional period of not more than 3 months if the State determines that the waiver should be maintained.''.

(c) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—Such section 231 is further amended by adding at the end the following:

''(d) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—All determinations of eligibility for trade readjustment allowances under this part shall be made by employees of the State who are appointed on a merit basis.''.

(d) CONFORMING AMENDMENT.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by striking subsection (b) and redesignating subsections (c) through (g) as subsections (b) through (f), respectively.

SEC. 122. WEEKLY AMOUNTS.

(a) IN GENERAL.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) in subsection (a)—

(A) by striking ''subsections (b) and (c)'' and inserting ''subsections (b), (c), and (d)'';

(B) by striking ''total unemployment'' the first place it appears and inserting ''unemployment''; and

(C) in paragraph (2), by adding at the end before the period the following: '', except that in the case of an adversely affected worker who is participating in full-time training under this chapter, such income shall not include earnings from work for such week that are equal to or less than the most recent weekly benefit amount of the unemployment insurance payable to the worker for a week of total unemployment preceding the worker's first exhaustion of unemployment insurance (as determined for purposes of section 231(a)(3)(B))'';

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(3) by inserting after subsection (a) the following:

''(b)(1) Notwithstanding section 231(a)(3)(B), if an adversely affected worker who is participating in training qualifies for unemployment insurance under State law, based in whole or in part upon part-time or short-term employment following approval of the worker's initial trade readjustment allowance application under section 231(a), then for any week for which unemployment insurance is payable and for which the worker would otherwise be entitled to a trade readjustment allowance based upon the certification under section 223, the worker shall, in addition to any such unemployment insurance, be paid a trade readjustment allowance in the amount described in paragraph (2).

''(2) The trade readjustment allowance payable under paragraph (1) shall be equal to the weekly benefit amount of the unemployment insurance upon which the worker's trade readjustment allowance was initially determined under subsection (a), reduced by—

''(A) the amount of the unemployment insurance benefit payable to such worker for that week of unemployment for which a trade readjustment allowance is payable under paragraph (1); and

''(B) the amounts described in paragraphs (1) and (2) of subsection (a).''.

(b) CONFORMING AMENDMENTS.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)(1), by striking ''section 232(a)'' and inserting ''subsections (a) and (b) of section 232''; and

(2) in subsection (c), by striking ''section 232(b)'' and inserting ''section 232(c)''.

SEC. 123. LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES; ALLOWANCES FOR EXTENDED TRAINING AND BREAKS IN TRAINING.

Section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)) is amended—

(1) in paragraph (2), by inserting ''under paragraph (1)'' after ''trade readjustment allowance'';

(2) in paragraph (3)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''52 additional weeks'' and inserting ''78 additional weeks''; and

(ii) by striking ''52-week'' and inserting ''91-week''; and

(B) in the matter following subparagraph (B), by striking ''52-week'' and inserting ''91-week''.

SEC. 124. SPECIAL RULES FOR CALCULATION OF ELIGIBILITY PERIOD.

Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end the following:

''(g) SPECIAL RULE FOR CALCULATING SEPARATION.—Notwithstanding any other provision of this chapter, any period during which a judicial or administrative appeal is pending with respect to the denial by the Secretary of a petition under section 223 shall not be counted for purposes of calculating the period of separation under subsection (a)(2) or for purposes of calculating time periods specified in section 231(a)(5)(A).

''(h) SPECIAL RULE FOR JUSTIFIABLE CAUSE.—The Secretary may extend the periods during which trade readjustment allowances are payable to an adversely affected worker under paragraphs (2) and (3) of subsection (a) and under subsection (f) (but not the maximum amounts of such allowances that are payable under this section), and the periods specified in section 231(a)(5)(A), if the Secretary determines that there is justifiable cause for such an extension, such as the failure to provide the worker with timely information, or justifiable breaks in training that exceed the period allowable under subsection (e).''.

SEC. 125. APPLICATION OF STATE LAWS AND REGULATIONS ON GOOD CAUSE FOR WAIVER OF TIME LIMITS OR LATE FILING OF CLAIMS.

Section 234 of the Trade Act of 1974 (19 U.S.C. 2294) is amended—

(1) by striking ''Except where inconsistent'' and inserting ''(a) IN GENERAL.—Except where inconsistent''; and

(2) by adding at the end the following:

''(b) STATE LAWS AND REGULATIONS ON GOOD CAUSE FOR WAIVER OF TIME LIMITS OR LATE FILING OF CLAIMS.—Any law or regulation of a cooperating State under section 239 that allows for a waiver for good cause of any time limit, including a waiver for good cause to allow the late filing of any claim, for trade readjustment allowances or other adjustment assistance under this chapter shall, in the administration of the program by the State under this chapter, apply to the applicable time limitation referred to or specified in this chapter or any regulation prescribed to carry out this chapter.''.

SEC. 126. EMPLOYMENT AND CASE MANAGEMENT SERVICES.

(a) IN GENERAL.—Section 235 of the Trade Act of 1974 (19 U.S.C. 2295) is amended to read as follows:

''SEC. 235. EMPLOYMENT AND CASE MANAGEMENT SERVICES.

''The Secretary shall provide, directly or through agreements with States under section 239, to adversely affected workers covered by a certification under subchapter A of this chapter the following employment and case management services:

''(1) Comprehensive and specialized assessment of skill levels and service needs, including through—

''(A) diagnostic testing and use of other assessment tools; and

''(B) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.

''(2) Development of an individual employment plan to identify employment goals and objectives, and appropriate training to achieve those goals and objectives.

''(3) Information on training available in local and regional areas, information on individual counseling to determine which training is suitable training, and information on how to apply for such training.

''(4) Information on how to apply for financial aid, including referring workers to educational opportunity centers under section 402F of the Higher Education Act of 1965, where applicable, and notifying workers that the workers may ask financial aid administrators at institutions of higher education to allow use of their current year income in the financial aid process.

''(5) Short-term prevocational services, including development of learning skills, communications skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct to prepare individuals for employment or training.

''(6) Individual career counseling, including job search and placement counseling, during the period in which the individual is receiving a trade adjustment allowance or training under this chapter, and for purposes of job placement after receiving such training.

''(7) Provision of employment statistics information, including the provision of accurate information relating to local, regional, and national labor market areas, including—

''(A) job vacancy listings in such labor market areas;

''(B) information on jobs skills necessary to obtain jobs identified in job vacancy listings described in subparagraph (A);

''(C) information relating to local occupations that are in demand and earnings potential of such occupations; and

''(D) skills requirements for local occupations described in subparagraph (C).

''(8) Supportive services, including services relating to child care, transportation, dependent

care, housing assistance, and need-related payments that are necessary to enable an individual to participate in training.''.

(b) CLERICAL AMENDMENT.—The item relating to section 235 in the table of contents for title II of the Trade Act of 1974 is amended to read as follows:

''235. Employment and case management services.''.

SEC. 127. TRAINING.

(a) IN GENERAL.—Subsection (a)(1) of section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended by striking the last sentence.

(b) FUNDING.—Subsection (a)(2) of such section is amended—

(1) in subparagraph (A), to read as follows:

''(A) The total amount of payments that may be made under paragraph (1) for each of the fiscal years 2008 and 2009 shall not exceed $440,000,000. The total amount of payments that may be made under paragraph (1) for fiscal year 2010 and each subsequent fiscal year shall not exceed $660,000,000.''; and

(2) by striking subparagraph (B) and inserting the following:

''(B) Not later than 120 days after the date of the enactment of the Trade and Globalization Assistance Act of 2007, the Secretary shall establish and implement procedures for the allocation among the States in each fiscal year of funds available to pay the costs of training for workers under this section. The Secretary shall, at least 60 days before the date on which the procedures described in this subparagraph are first implemented, consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate with respect to such procedures.

''(C) In establishing and implementing the procedures under subparagraph (B), the Secretary shall—

''(i) provide for at least 3 distributions of funds available for training in the fiscal year, and, in the first such distribution, disburse not more than 50 percent of the total amount of funds available for training in that fiscal year;

''(ii) consider using a broad range of factors for the allocation of training funds distributed to States for each fiscal year, including factors such as—

''(I) the number of workers certified under sections 223 and 223A in the preceding fiscal year;

''(II) the total number of workers certified under sections 223 and 223A that are enrolled in training approved under this section;

''(III) the minimum level of funding necessary to provide training approved under this section; and

''(IV) notifications under the Worker Adjustment and Retraining Notification Act or other layoff notifications;

''(iii) after the initial distribution of training funds to States at the beginning of each fiscal year, provide for subsequent distributions of training funds remaining, based on the factors described in clause (ii) (but, in the case of the factor described in subclause (I) of clause (ii), based on data from the preceding 2 fiscal quarters) if a State requests the distribution of the remaining funds;

''(iv) ensure that any final distribution of funds during a fiscal year is made not later than July 1 of that fiscal year; and

''(v) develop an explicit policy for re-capture and redistribution of training funds, to the extent such re-capture and redistribution of training funds is necessary.''.

(c) DETERMINATIONS REGARDING TRAINING.—Subsection (a)(9) of such section is amended—

(1) by striking ''The Secretary'' and inserting ''(A) Subject to subparagraph (B), the Secretary''; and

(2) by adding at the end the following:

''(B)(i) In determining under paragraph (1)(E) whether a worker is qualified to undertake and complete training, the Secretary may not disallow training for a period longer than the worker's period of eligibility for trade readjustment allowances under part I if the worker demonstrates that the worker has sufficient financial resources to complete the training after the expiration of the worker's period of eligibility for such trade readjustment allowances.

''(ii) In determining the reasonable cost of training under paragraph (1)(F) with respect to a worker, the Secretary may consider whether other public or private funds are reasonably available to the worker, except that the Secretary may not require a worker to obtain such funds as a condition of approval of training under paragraph (1).''.

(d) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—Such section is further amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

''(e) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—All determinations of eligibility for training under this section shall be made by employees of the State who are appointed on a merit basis.''.

(e) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study of the procedures for the allocation of training funds for workers under subparagraphs (B) and (C) of section 236(a)(2) of the Trade Act of 1974 (19 U.S.C. 2296), as added by subsection (a) of this section, that are established and implemented by the Secretary of Labor pursuant to such section. In carrying out the study, the Comptroller General shall examine the overall adequacy of funding for training for workers by State and the effectiveness of the procedures for allocating training funds between States and among workers.

(2) REPORTS.—

(A) INTERIM REPORT.—The Comptroller General of the United States shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an interim report that contains the results of the study conducted under paragraph (1) for the first fiscal year with respect to which the procedures described in paragraph (1) are implemented.

(B) FINAL REPORT.—The Comptroller General of the United States shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a final report that contains the results of the study conducted under paragraph (1) for the first three fiscal years with respect to which the procedures described in paragraph (1) are implemented.

SEC. 128. PREREQUISITE EDUCATION; APPROVED TRAINING PROGRAMS.

(a) IN GENERAL.—Section 236(a)(5) of the Trade Act of 1974 (19 U.S.C. 2296(a)(5)) is amended—

(1) in subparagraph (A)—

(A) by striking ''and'' at the end of clause (i);

(B) by adding ''and'' at the end of clause (ii); and

(C) by inserting after clause (ii) the following:

''(iii) apprenticeship programs registered under the National Apprenticeship Act (29 U.S.C. 50 et seq.),'';

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively;

(3) by inserting after subparagraph (D) the following:

''(E) any program of prerequisite education or coursework required to enroll in training that may be approved under this section,'';

(4) in subparagraph (F)(ii), as redesignated by paragraph (1), by striking ''and'' at the end;

(5) in subparagraph (G), as redesignated by paragraph (1), by striking the period at the end and inserting '', and''; and

(6) by adding at the end the following:

''(H) any training program or coursework at an accredited institution of higher education (as defined in section 102 of the Higher Education Act of 1965), including a training program or coursework for the purpose of—

''(i) obtaining a degree or certification; or

''(ii) completing a degree or certification that the worker had previously begun at an accredited institution of higher education.

The Secretary may not limit approval of a training program under paragraph (1) to a program provided pursuant to title I of the Workforce Investment Act of 1998.''.

(b) CONFORMING AMENDMENTS.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)(2), by inserting ''prerequisite education or'' after ''requires a program of''; and

(2) in subsection (f) (as redesignated by section 121(d) of this Act), by inserting ''prerequisite education or'' after ''includes a program of''.

SEC. 129. ELIGIBILITY FOR UNEMPLOYMENT INSURANCE AND PROGRAM BENEFITS WHILE IN TRAINING.

(a) IN GENERAL.—Section 236(d) of the Trade Act of 1974 (19 U.S.C. 2296(d)) is amended to read as follows:

''(d) ELIGIBILITY.—A worker may not be determined to be ineligible or disqualified for unemployment insurance or program benefits under this subchapter—

''(1) because the worker—

''(A) is enrolled in training approved under subsection (a); or

''(B) left work—

''(i) that was not suitable employment in order to receive such training; or

''(ii) that the worker engaged in on a temporary basis during a break in such training or a delay in the commencement of such training; or

''(2) because of the application to any such week in training of the provisions of State law or Federal unemployment insurance law relating to availability for work, active search for work, or refusal to accept work.''.

(b) DEFINITION.—Subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2291 et seq.) is amended—

(1) in section 233(d) (as redesignated by section 121(d) of this Act), by inserting ''suitable'' before ''on-the-job training''; and

(2) in section 236—

(A) by inserting ''suitable'' before ''on-the-job training'' each place it appears; and

(B) by adding at the end the following:

''(h) SUITABLE ON-THE-JOB TRAINING.—For purposes of this section, the term 'suitable on-the-job training' means on-the-job training—

''(1) that can reasonably be expected to lead to suitable employment;

''(2) that is compatible with the skills of the worker;

''(3) that—

''(A) involves a curriculum through which the worker learns the skills necessary for the job for which the worker is being trained; and

''(B) can be measured by benchmarks that indicate that the worker is learning such skills; and

''(4) that is certified by the State as an on-the-job training program that meets the requirements of paragraph (3).''.

SEC. 130. ADMINISTRATIVE EXPENSES AND EMPLOYMENT AND CASE MANAGEMENT SERVICES.

(a) IN GENERAL.—Part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295 et seq.) is amended by inserting after section 236 the following:

''SEC. 236A. ADDITIONAL PAYMENTS FOR ADMINISTRATIVE EXPENSES AND EMPLOYMENT AND CASE MANAGEMENT SERVICES.

''(a) ADMINISTRATIVE EXPENSES.—

''(1) IN GENERAL.—The Secretary shall provide to each State that receives a payment under section 236 for a fiscal year an additional payment

for such fiscal year in an amount that is not less than 15 percent of the amount of the payment under section 236.

''(2) USE OF FUNDS.—A State that receives an additional payment under paragraph (1) shall use the payment for administration of the trade adjustment assistance for workers program under this chapter, including for—

''(A) processing of waivers of training requirements under section 231;

''(B) collecting of data required under this chapter; and

''(C) providing services under section 235.

''(3) ADMINISTRATION REQUIREMENT.—Funds provided to a State under this subsection for a fiscal year that are in excess of the amount of funds provided to the State for administration of the trade adjustment assistance for workers program under this chapter for fiscal year 2007 may only be administered by employees of the State who are appointed on a merit basis.

''(b) ADDITIONAL FUNDING FOR EMPLOYMENT AND CASE MANAGEMENT SERVICES.—

''(1) IN GENERAL.—The Secretary shall provide to each State that receives a payment under section 236 for a fiscal year an additional payment for such fiscal year in an amount that is not less than .06 percent of the total amount of payments that may be made in that fiscal year as described in section 236(a)(2).

''(2) USE OF FUNDS.—A State that receives an additional payment under paragraph (1) shall use the payment for providing services under section 235.

''(3) ADMINISTRATION REQUIREMENT.—Funds provided to a State under this subsection may only be administered by employees of the State who are appointed on a merit basis.

''(c) FUNDING.—Funds provided to the States under this section shall not be counted toward the limitation contained in section 236(a)(2)(A).''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 236 the following:

''Sec. 236A. Additional payments for administrative expenses and employment and case management services.''.

SEC. 131. JOB SEARCH AND RELOCATION ALLOWANCES.

(a) JOB SEARCH ALLOWANCES.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended—

(1) in subsection (a)(2)(C)(ii), by striking '', unless the worker received a waiver under section 231(c)''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''90 percent of the cost of'' and inserting ''all''; and

(B) in paragraph (2), by striking ''$1,250'' and inserting ''$1,500''.

(b) RELOCATION ALLOWANCES.—Section 238 of the Trade Act of 1974 (19 U.S.C. 2298) is amended—

(1) in subsection (a)(2)(E)(ii), by striking '', unless the worker received a waiver under section 231(c)''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''90 percent of the'' and inserting ''all''; and

(B) in paragraph (2), by striking ''$1,250'' and inserting ''$1,500''.

Subtitle D—Health Care Provisions

SEC. 141. MODIFICATIONS RELATING HEALTH INSURANCE ASSISTANCE FOR CERTAIN TAA AND PBGC PENSION RECIPIENTS.

(a) INCREASE IN CREDIT PERCENTAGE AMOUNT.—

(1) IN GENERAL.—Subsection (a) of section 35 of the Internal Revenue Code of 1986 is amended by striking ''65 percent'' and inserting ''85 percent''.

(2) CONFORMING AMENDMENT.—Subsection (b) of section 7527 of such Code is amended by striking ''65 percent'' and inserting ''85 percent''.

(b) TAA RECIPIENTS RECEIVING UNEMPLOYMENT COMPENSATION AND NOT ENROLLED IN TRAINING PROGRAM ELIGIBLE FOR CREDIT.—Paragraph (2) of section 35(c) of such Code is amended to read as follows:

''(2) ELIGIBLE TAA RECIPIENT.—The term 'eligible TAA recipient' means, with respect to any month, any individual who—

''(A) is receiving for any day of such month a trade readjustment allowance under chapter 2 of title II of the Trade Act of 1974, or

''(B) who is receiving unemployment compensation (as defined in section 85) for such month and who would be eligible to receive such allowance for such month if section 231 of such Act were applied without regard to subsections (a)(3)(B) and (a)(5) thereof.

An individual shall continue to be treated as an eligible TAA recipient during the first month that such individual would otherwise cease to be an eligible TAA recipient by reason of the preceding sentence.''.

(c) ELIGIBILITY FOR ELIGIBLE INDIVIDUALS MADE RETROACTIVE TO TAA-RELATED LOSS OF EMPLOYMENT.—Subsection (c) of section 35 of such Code is amended by adding at the end the following new paragraph:

''(5) RETROACTIVE ELIGIBILITY FOR TAA RECIPIENTS.—In the case of any individual who is an eligible TAA recipient or eligible alternative TAA recipient for any month, such individual shall be treated as an eligible individual for any month which precedes such month and which begins after the later of—

''(A) the date of the separation from employment which gives rise to such individual being an eligible TAA recipient or eligible alternative TAA recipient, or

''(B) December 31, 2007.''.

(d) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

(1) IN GENERAL.—Subsection (g) of section 35 of such Code is amended by redesignating paragraph (9) as paragraph (10) and inserting after paragraph (8) the following new paragraph:

''(9) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

''(A) MEDICARE ELIGIBILITY.—In the case of any month which would be an eligible coverage month with respect to an eligible individual but for subsection (f)(2)(A), such month shall be treated as an eligible coverage month with respect to such eligible individual solely for purposes of determining the amount of the credit under this section with respect to any qualifying family members of such individual (and any advance payment of such credit under section 7527). This subparagraph shall only apply with respect to the first 36 months after such eligible individual is first entitled to the benefits described in subsection (f)(2)(A).

''(B) DIVORCE.—In the case of the finalization of a divorce between an eligible individual and such individual's spouse, such spouse shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such finalization, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such finalization.

''(C) DEATH.—In the case of the death of an eligible individual—

''(i) any spouse of such individual (determined at the time of such death) shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such death, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such death, and

''(ii) any individual who was a qualifying family member of the decedent immediately before such death (or, in the case of an individual to whom paragraph (4) applies, the taxpayer to whom the deduction under section 151 is allowable) shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such death, except that in determining the amount of such credit only such qualifying family member may be taken into account.''.

(2) CONFORMING AMENDMENT.—Section 173(f) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)) is amended by adding at the end the following:

''(8) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

''(A) MEDICARE ELIGIBILITY.—In the case of any month which would be an eligible coverage month with respect to an eligible individual but for paragraph (7)(B)(i), such month shall be treated as an eligible coverage month with respect to such eligible individual solely for purposes of determining the eligibility of qualifying family members of such individual under this subsection. This subparagraph shall only apply with respect to the first 36 months after such eligible individual is first entitled to the benefits described in paragraph (7)(B)(i).

''(B) DIVORCE.—In the case of the finalization of a divorce between an eligible individual and such individual's spouse, such spouse shall be treated as an eligible individual for purposes of this subsection for a period of 36 months beginning with the date of such finalization, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such finalization.

''(C) DEATH.—In the case of the death of an eligible individual—

''(i) any spouse of such individual (determined at the time of such death) shall be treated as an eligible individual for purposes of this subsection for a period of 36 months beginning with the date of such death, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such death, and

''(ii) any individual who was a qualifying family member of the decedent immediately before such death shall be treated as an eligible individual for purposes this subsection for a period of 36 months beginning with the date of such death, except that no qualifying family members may be taken into account with respect to such individual.''.

(e) MODIFICATION OF CREDITABLE COVERAGE REQUIREMENT.—

(1) IN GENERAL.—Subparagraph (B) of section 35(e)(2) of such Code is amended to read as follows:

''(B) QUALIFYING INDIVIDUAL.—For purposes of this paragraph, the term 'qualifying individual' means an eligible individual and the qualifying family members of such individual if such individual meets the requirements of clauses (iii) and (iv) of subsection (b)(1)(A) and—

''(i) in the case of an eligible TAA recipient or an eligible alternative TAA recipient, has (as of the date on which the individual seeks to enroll in the coverage described in subparagraphs (B) through (H) of paragraph (1)) a period of creditable coverage (as defined in section 9801(c)), or

''(ii) in the case of an eligible PBGC pension recipient, enrolls in such coverage during the 90-day period beginning on the later of—

''(I) the last day of the first month with respect to which such recipient becomes an eligible PBGC pension recipient, or

''(II) the date of the enactment of this subparagraph.''.

(2) CONFORMING AMENDMENT.—Clause (ii) of section 172(f)(2)(B) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended to read as follows:

''(ii) QUALIFYING INDIVIDUAL.—For purposes of this subparagraph, the term 'qualifying individual' means an eligible individual and the

qualifying family members of such individual if such individual meets the requirements of clauses (iii) and (iv) of section 35(b)(1)(A) of the Internal Revenue Code of 1986 and—

''(I) in the case of an eligible TAA recipient or an eligible alternative TAA recipient, has (as of the date on which the individual seeks to enroll in the coverage described in clauses (ii) through (viii) of subparagraph (A)) a period of creditable coverage (as defined in section 9801(c) of such Code), or

''(II) in the case of an eligible PBGC pension recipient, enrolls in such coverage during the 90-day period beginning on the later of—

''(aa) the last day of the first month with respect to which such recipient becomes an eligible PBGC pension recipient, or

''(bb) the date of the enactment of this clause.''.

(3) OUTREACH.—The Secretary of the Treasury shall carry out a program to notify individuals prior to their becoming eligible PBGC pension recipients (as defined in section 35 of the Internal Revenue Code of 1986) of the requirement of subsection (e)(2)(B)(ii) of such section, as added by this subsection.

(f) TAA PRE-CERTIFICATION PERIOD RULE FOR PURPOSES OF DETERMINING WHETHER THERE IS A 63–DAY LAPSE IN CREDITABLE COVERAGE.—

(1) IRC AMENDMENT.—Section 9801(c)(2) of the Internal Revenue Code of 1986 (relating to not counting periods before significant breaks in creditable coverage) is amended by adding at the end the following new subparagraph:

''(D) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date which is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 4980B(f)(5)(C)(iv).''.

(2) ERISA AMENDMENT.—Section 701(c)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 of the Internal Revenue Code of 1986 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 605(b)(4)(c).''.

(3) PHSA AMENDMENT.—Section 2701(c)(2) of the Public Health Service Act (42 U.S.C. 300gg(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 of the Internal Revenue Code of 1986 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 2205(b)(4)(c).''.

(g) RATING SYSTEM REQUIREMENT FOR CERTAIN STATE-BASED COVERAGE.—

(1) IN GENERAL.—Subparagraph (A) of section 35(e)(2) of such Code is amended by adding at the end the following new clause:

''(v) RATING SYSTEM REQUIREMENT.—In the case of coverage described in paragraph (1)(F)(ii), the premiums for such coverage are restricted, based on a community rating system with respect to eligible individuals and their qualifying family members, or based on a rate-band system under which the maximum rate which may be charged does not exceed 150 percent of the standard rate with respect to eligible individuals and their qualifying family members.''.

(2) CONFORMING AMENDMENT.—Clause (i) of section 173(f)(2)(B) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended by adding at the end the following new subclause:

''(V) RATING SYSTEM REQUIREMENT.—In the case of coverage described in subparagraph (A)(vi)(II), the premiums for such coverage are restricted, based on a community rating system with respect to eligible individuals and their qualifying family members, or based on a rate-band system under which the maximum rate which may be charged does not exceed 150 percent of the standard rate with respect to eligible individuals and their qualifying family members.''.

(h) TERMINATION OF PROGRAM.—

(1) IN GENERAL.—Section 35 of such Code is amended by adding at the end the following new subsection:

''(h) TERMINATION.—An individual shall not be treated as an eligible individual for purposes of this section or section 7527 for any month beginning after December 31, 2009, unless such individual was an eligible individual for a continuous period of months ending with such month and beginning before such date.''.

(2) CONFORMING AMENDMENT.—Subsection (f) of section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) is amended by adding at the end the following new paragraph:

''(8) TERMINATION.—An individual shall not be treated as an eligible individual for purposes of this subsection for any month beginning after December 31, 2009, unless such individual was an eligible individual for a continuous period of months ending with such month and beginning before such date.''.

(i) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to months beginning after December 31, 2007, in taxable years ending after such date.

(2) RATING SYSTEM REQUIREMENT.—The amendments made by subsection (g) shall apply to months beginning after March 31, 2008, in taxable years ending after such date.

(3) DISCRETION TO DELAY EFFECTIVE DATE FOR PURPOSES OF ADVANCE PAYMENT PROGRAM.—Solely for purposes of carrying out the advance payment program under section 7527, the Secretary may provide that one or more amendments made by subsections (b), (c), and (d) shall not apply to one or more months beginning before March 31, 2008, to the extent that the Secretary determines that such delay is necessary to properly implement any such amendment as part of such program.

(j) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study regarding the health insurance tax credit allowed under section 35 of the Internal Revenue Code of 1986.

(2) REPORT.—Not later than March 1, 2009, the Comptroller General shall submit a report to Congress regarding the results of the study conducted under paragraph (1). Such report shall include an analysis of—

(A) the administrative costs—

(i) of the Federal Government with respect to such credit and the advance payment of such credit under section 7527 of such Code, and

(ii) of providers of qualified health insurance with respect to providing such insurance to eligible individuals and their qualifying family members,

(B) the health status and relative risk status of eligible individuals and qualifying family members covered under such insurance,

(C) participation in such credit and the advance payment of such credit by eligible individuals and their qualifying family members, including the reasons why such individuals did or did not participate and the effect of the amendments made by this section on such participation, and

(D) the extent to which eligible individuals and their qualifying family members—

(i) obtained health insurance other than qualifying health insurance, or

(ii) went without health insurance coverage.

(3) ACCESS TO RECORDS.—For purposes of conducting the study required under this subsection, the Comptroller General and any of his duly authorized representatives shall have access to, and the right to examine and copy, all documents, records, and other recorded information—

(A) within the possession or control of providers of qualified health insurance, and

(B) determined by the Comptroller General (or any such representative) to be relevant to the study.

The Comptroller General shall not disclose the identity of any provider of qualified health insurance or any eligible individual in making any information obtained under this section available to the public.

(4) DEFINITIONS.—Any term which is defined in section 35 of the Internal Revenue Code of 1986 shall have the same meaning when used in this subsection.

SEC. 142. EXTENSION OF COBRA BENEFITS FOR CERTAIN TAA-ELIGIBLE INDIVIDUALS AND PBGC RECIPIENTS.

(a) ERISA AMENDMENTS.—Section 602(2)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1162(2)(A)) is amended—

(1) by moving clause (v) to after clause (iv) and before the flush left sentence beginning with ''In the case of a qualified beneficiary'';

(2) by striking ''In the case of a qualified beneficiary'' and inserting the following:

''(vi) SPECIAL RULE FOR DISABILITY.—In the case of a qualified beneficiary''; and

(3) by redesignating clauses (v) and (vi), as amended by paragraphs (1) and (2), as clauses (viii) and (ix) and by inserting after clause (iv) the following new clauses:

''(v) SPECIAL RULE FOR PBGC RECIPIENTS.—In the case of a qualifying event described in section 603(2) with respect to a covered employee who (as of such qualifying event) has a nonforeitable right to a benefit any portion of which is to be paid by the Pension Benefit Guaranty Corporation under title IV, notwithstanding clause (i) or (ii), the date of the death of the covered employee, or in the case of the surviving spouse or dependent children of the covered employee, 36 months after the date of the death of the covered employee.

''(vi) SPECIAL RULE FOR TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in section 603(2) with respect to a covered employee who is (as of the date that the period of coverage would, but for this clause or clause (vii), otherwise terminate under clause (i) or (ii)) a TAA-eligible individual (as defined in section 605(b)(4)(B)), the period of coverage shall not terminate by reason of clause (i) or (ii), as the case may be, before the later of the date specified in such clause or the date on which such individual ceases to be such a TAA-eligible individual.

''(vii) SPECIAL RULE FOR CERTAIN TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in section 603(2) with respect to a covered employee who is (as of the date that the period of coverage would, but for this clause or clause (vi), otherwise terminate under clause (i) or (ii)) a TAA-eligible individual (as defined in section 605(b)(4)(B)) and who (as of such qualifying event) has attainted age 55 or has completed 10 or more years of service with the employer, clauses (i) and (ii) shall not apply.''.

(b) IRC AMENDMENTS.—Clause (i) of section 4980B(f)(2)(B) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''In the case of a qualified beneficiary'' and inserting the following:

''(VI) SPECIAL RULE FOR DISABILITY.—In the case of a qualified beneficiary'', and

(2) by redesignating subclauses (V) and (VI), as amended by paragraph (1), as subclauses (VIII) and (IX) and by inserting after clause (IV) the following new subclauses:

''(V) SPECIAL RULE FOR PBGC RECIPIENTS.—In the case of a qualifying event described in paragraph (3)(B) with respect to a covered employee who (as of such qualifying event) has a nonforeitable right to a benefit any portion of which is to be paid by the Pension Benefit Guaranty Corporation under title IV of the Employee Retirement Income Security Act of 1974, notwithstanding subclause (I) or (II), the date of the death of the covered employee, or in the case of the surviving spouse or dependent children of the covered employee, 36 months after the date of the death of the covered employee.

''(VI) SPECIAL RULE FOR TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in paragraph (3)(B) with respect to a covered employee who is (as of the date that the period of coverage would, but for this subclause or subclause (VII), otherwise terminate under subclause (I) or (II)) a TAA-eligible individual (as defined in paragraph (5)(C)(iv)(II)), the period of coverage shall not terminate by reason of subclause (I) or (II), as the case may be, before the later of the date specified in such subclause or the date on which such individual ceases to be such a TAA-eligible individual.

''(VII) SPECIAL RULE FOR CERTAIN TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in paragraph (3)(B) with respect to a covered employee who is (as of the date that the period of coverage would, but for this subclause or subclause (VI), otherwise terminate under subclause (I) or (II)) a TAA-eligible individual (as defined in paragraph (5)(C)(iv)(II)) and who (as of such qualifying event) has attainted age 55 or has completed 10 or more years of service with the employer, subclauses (I) and (II) shall not apply.''.

(c) PHSA AMENDMENTS.—Section 2202(2)(A) of the Public Health Service Act (42 U.S.C. 300bb-2(2)(A)) is amended—

(1) by striking ''In the case of a qualified beneficiary'' and inserting the following:

''(v) SPECIAL RULE FOR DISABILITY.—In the case of a qualified beneficiary''; and

(2) by redesignating clauses (iv) and (v), as amended by paragraph (1), as clauses (vi) and (vii) and by inserting after clause (iii) the following new clauses:

''(iv) SPECIAL RULE FOR TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in section 2203(2) with respect to a covered employee who is (as of the date that the period of coverage would, but for this clause or clause (v), otherwise terminate under clause (i) or (ii)) a TAA-eligible individual (as defined in section 2205(b)(4)(B)), the period of coverage shall not terminate by reason of clause (i) or (ii), as the case may be, before the later of the date specified in such clause or the date on which such individual ceases to be such a TAA-eligible individual.

''(v) SPECIAL RULE FOR CERTAIN TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in section 2203(2) with respect to a covered employee who is (as of the date that the period of coverage would, but for this clause or clause (iv), otherwise terminate under clause (i) or (ii)) a TAA-eligible individual (as defined in section 2205(b)(4)(B)) and who (as of such qualifying event) has attainted age 55 or has completed 10 or more years of service with the employer, clauses (i) and (ii) shall not apply.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods of coverage which would (without regard to the amendments made by this section) end on or after January 1, 2008.

Subtitle E—Wage Insurance

SEC. 151. REEMPLOYMENT TRADE ADJUSTMENT ASSISTANCE PROGRAM FOR OLDER WORKERS.

(a) IN GENERAL.—Section 246 of the Trade Act of 1974 (19 U.S.C. 2318) is amended—

(1) by amending the heading to read as follows: ''**REEMPLOYMENT TRADE ADJUSTMENT ASSISTANCE**'';

(2) in subsection (a)—

(A) in paragraph (1), by striking ''alternative'' and inserting ''reemployment'';

(B) in paragraph (2)(A), by striking ''for a period not to exceed 2 years'' and inserting ''for the eligibility period under paragraph (3)(C)''; and

(C) by striking paragraphs (3) through (5) and inserting the following:

''(3) ELIGIBILITY.—

''(A) IN GENERAL.—A group of workers certified under subchapter A as eligible for adjustment assistance under subchapter A is eligible for benefits described in paragraph (2) under the program established under paragraph (1).

''(B) INDIVIDUAL ELIGIBILITY.—A worker in a group of workers described in subparagraph (A) may elect to receive benefits described in paragraph (2) under the program established under paragraph (1) if the worker—

''(i) is at least 50 years of age;

''(ii) earns not more than $60,000 each year in wages from reemployment;

''(iii)(I) is employed on a full-time basis as defined by State law in the State in which the worker is employed; or

''(II) is employed at least 20 hours per week and is enrolled in training approved under section 236; and

''(iv) is not employed at the firm from which the worker was separated

In the case of a worker described in clause (iii)(II), the percentage referred to in paragraph (2)(A) shall be deemed to be a percentage equal to ½ of the ratio of weekly hours of employment referred to in clause (iii)(II) to weekly hours of employment of that worker at the time of separation (but not more than 50 percent).

''(C) ELIGIBILITY PERIOD FOR PAYMENTS.—A worker in a group of workers described in subparagraph (A) may receive payments described in paragraph (2)(A) under the program established under paragraph (1) for a period not to exceed 2 years from the date on which the worker exhausts all rights to unemployment insurance based on the separation of the worker from adversely affected employment or the date on which the worker obtains reemployment, whichever is earlier.

''(D) TRAINING AND OTHER SERVICES.—A worker described in subparagraph (B) shall be eligible to receive training approved under section 236 and services under section 235.

''(4) TOTAL AMOUNT OF PAYMENTS.—The payments described in paragraph (2)(A) made to a worker may not exceed $12,000 per worker during the eligibility period under paragraph (3)(C).

''(5) LIMITATION ON OTHER BENEFITS.—A worker described in paragraph (3) may not receive a trade readjustment allowance under part I of subchapter B during any week for which the worker receives a payment described in paragraph (2)(A).''; and

(3) in subsection (b)(2), by striking ''subsection (a)(3)(B)'' and inserting ''subsection (a)(3)''.

(b) EXTENSION OF PROGRAM.—Subsection (b)(1) of such section is amended by striking ''5'' and inserting ''10''.

(c) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 246 and inserting the following:

''Sec. 246. Reemployment trade adjustment assistance program.''.

Subtitle F—Other Matters

SEC. 161. RESTRICTION ON ELIGIBILITY FOR PROGRAM BENEFITS.

(a) IN GENERAL.—Subchapter A of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding at the end the following new section:

''SEC. 226. RESTRICTION ON ELIGIBILITY FOR PROGRAM BENEFITS.

''No benefit allowances, training, or other employment services may be provided under this chapter to a worker who is an alien unless the alien is an individual lawfully admitted for permanent residence to the United States, is lawfully present in the United States, or is permanently residing in the United States under color of law.''.

(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by adding after the item relating to section 225 the following:

''226. Restriction on eligibility for program benefits.''.

SEC. 162. AGREEMENTS WITH STATES.

(a) IN GENERAL.—Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by striking ''will'' each place it appears and inserting ''shall''; and

(2) in clause (2), to read as follows: ''(2) in accordance with subsection (f), shall provide adversely affected workers covered by a certification under subchapter A the employment and case management services described in section 235''.

(b) OUTREACH.—Subsection (f) of such section is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) by striking paragraph (4) and inserting the following:

''(4) perform outreach, intake (which may include worker profiling) and orientation for assistance and benefits available under this chapter for adversely affected workers covered by a certification under subchapter A of this chapter, and''; and

(3) by adding at the end the following:

''(5) provide adversely affected workers covered by a certification under subchapter A of this chapter with employment and case management services described in section 235.''.

SEC. 163. FRAUD AND RECOVERY OF OVERPAYMENTS.

Section 243(a)(1) of the Trade Act of 1974 (19 U.S.C. 2315(a)(1)) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by striking ''may waive'' and inserting ''shall waive''; and

(B) by striking '', in accordance with guidelines prescribed by the Secretary,'' and

(2) in subparagraph (B), by striking ''would be contrary to equity and good conscience'' and inserting ''would cause a financial hardship for the individual (or the individual's household, if applicable) when taking into consideration the income and resources reasonably available to the individual (or household) and other ordinary living expenses of the individual (or household)''.

SEC. 164. TECHNICAL AMENDMENTS.

(a) IN GENERAL.—Section 249 of the Trade Act of 1974 (19 U.S.C. 2321) is amended—

(1) in the heading, by striking ''**SUBPENA**'' and inserting ''**SUBPOENA**''; and

(2) in the text, by striking ''subpena'' and inserting ''subpoena'' each place it appears.

(b) CLERICAL AMENDMENT.—The item relating to section 249 in the table of contents for title II of the Trade Act of 1974 is amended to read as follows:

''249. Subpoena power.''.

SEC. 165. OFFICE OF TRADE ADJUSTMENT ASSISTANCE; DEPUTY ASSISTANT SECRETARY FOR TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Subchapter C of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.) is amended by adding at the end the following:

''SEC. 250. OFFICE OF TRADE ADJUSTMENT ASSISTANCE; DEPUTY ASSISTANT SECRETARY FOR TRADE ADJUSTMENT ASSISTANCE.

''(a) ESTABLISHMENT.—There is established in the Department of Labor an office to be known as the Office of Trade Adjustment Assistance (hereinafter in this section referred to as the 'Office').

''(b) HEAD OF OFFICE.—The head of the Office shall be the Deputy Assistant Secretary for Trade Adjustment Assistance (hereinafter in this section referred to as the 'Deputy Assistant Secretary'), who shall be appointed by the President, by and with the advice and consent of the Senate.

''(c) PRINCIPLE FUNCTIONS.—The principle functions of the Deputy Assistant Secretary shall be—

''(1) to oversee and implement the administration of trade adjustment assistance for workers under this chapter; and

''(2) to carry out functions delegated to the Secretary of Labor under this chapter, including—

''(A) making determinations under section 223 or 223A;

''(B) providing information about the program and assisting groups of workers and other parties to prepare petitions or applications for program benefits under section 225;

''(C) ensuring workers covered by a certification receive the employment services described in section 235;

''(D) ensuring States fully comply with agreements under section 239;

''(E) acting as a vigorous advocate for workers applying for assistance under this chapter;

''(F) receiving complaints, grievances, and requests for assistance from workers under this chapter;

''(G) establishing and overseeing a hotline that workers, employers, and other entities may call to obtain information regarding eligibility criteria, procedural requirements, and benefits available under this chapter; and

''(H) carrying out such other duties with respect to this chapter as the President may specify for purposes of this section.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 249 the following:

''Sec. 250. Office of Trade Adjustment Assistance; Deputy Assistant Secretary for Trade Adjustment Assistance.''.

SEC. 166. COLLECTION OF DATA AND REPORTS; INFORMATION TO WORKERS.

(a) IN GENERAL.—Subchapter C of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.) is amended by adding at the end the following:

''SEC. 250A. COLLECTION OF DATA AND REPORTS; INFORMATION TO WORKERS.

''(a) IN GENERAL.—Not later than 90 days after the date of the enactment of the Trade and Globalization Assistance Act of 2007, the Secretary shall implement a system to collect and publicly disseminate data on all adversely affected workers who apply for or receive adjustment assistance under this chapter.

''(b) DATA TO BE INCLUDED.—The system required under subsection (a) shall include collection of the following data classified by State, industry, and nationwide totals:

''(1) The number of petitions and number of workers covered by petitions filed, certified and denied.

''(2) The date of filing of each petition and the date of the determination, and the average processing time, by year, on petitions.

''(3) A breakdown, by the claimed cause of dislocation, of petitions denied, such as increased imports, shift in production, and other bases for eligibility.

''(4) A breakdown of the number of certified petitions by the cause of dislocation, such as increase in imports, shift in production, and other causes of eligibility for adjustment assistance.

''(5) The number of workers participating in any aspect of the adjustment assistance program under this chapter.

''(6) Reemployment rates and sectors in which dislocated workers have been employed after receiving adjustment assistance under this chapter.

''(7) The type of adjustment assistance received under this chapter, such as training or education assistance, reemployment adjustment assistance, cash benefits, health coverage, and relocation allowances, the number of workers receiving each type of assistance, and the average duration of time workers receive each type of assistance.

''(8) The fields of training or education in which workers receiving training or education benefits under this chapter are enrolled, the number of workers participating in each field, classified by major types of training or education.

''(9) The number of workers leaving training before completing a course of training or education, classified by the cause for early termination.

''(10) The number of training waivers granted, classified by type of waiver.

''(11) The wages of workers before separation and any job obtained after receiving benefits under the trade adjustment assistance program under this chapter.

''(12) The average duration of training that was completed.

''(c) COLLECTION OF DATA FROM STATES.—The Secretary is authorized to collect such data from the States as is necessary to carry out this section.

''(d) REPORT.—Not later than 16 months after the date of the enactment of the Trade and Globalization Assistance Act of 2007, and annually thereafter, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and any other congressional committee of appropriate jurisdiction, a report on whether changes to eligibility requirements, benefits, or training funding under the trade adjustment assistance program under this chapter should be made based on the data collected under subsection (b).

''(e) AVAILABILITY ON WEBSITE OF THE DEPARTMENT OF LABOR.—The Secretary shall make the data collected under subsection (b) publicly available on the website of the Department of Labor, in a searchable format, and shall update the data quarterly.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 250 (as added by section 163(b) of this Act) the following:

''Sec. 250A. Collection of data and reports; information to workers.''.

SEC. 167. EXTENSION OF TAA PROGRAM.

(a) FOR WORKERS.—Section 245(a) of the Trade Act of 1974 (19 U.S.C. 2317(a)) is amended by striking ''December 31, 2007'' and inserting ''September 30, 2012''.

(b) TERMINATION.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended by striking ''December 31, 2007'' each place it appears and inserting ''September 30, 2012''.

(c) FOR FARMERS.—Section 298(a) of the Trade Act of 1974 (19 U.S.C. 2401g(a)) is amended by adding at the end the following: ''There are authorized to be appropriated to the Department of Agriculture not to exceed $81,000,000 for the 9-month period beginning on January 1, 2008, and $90,000,000 for each of the fiscal years 2009 through 2012 to carry out the purposes of this chapter.''.

SEC. 168. JUDICIAL REVIEW.

Section 284 of the Trade Act of 1974 (19 U.S.C. 2395) is amended—

(1) in subsection (a)—

(A) by inserting ''or 223A'' after ''223''; and

(B) by striking ''271'' and inserting ''273'';

(2) by amending subsection (b) to read as follows:

''(b) STANDARD OF REVIEW.—The Court of International Trade shall have jurisdiction to review the case as provided in section 706 of title 5, Untied States Code. The findings of fact by the Secretary of Labor, the Secretary of Commerce, or the Secretary of Agriculture, as the case may be, must be supported by substantial evidence and must be based on a reasonable investigation. The Court of International Trade may—

''(1) remand the case to such Secretary to take further evidence; or

''(2) reverse the action of such Secretary.

If the case is remanded under paragraph (1), the Secretary concerned may make new or modified findings of fact and may modify the Secretary's previous action, and shall certify to the court the record of the further proceedings. The new or modified findings of fact must be supported by substantial evidence and must be based on a reasonable investigation.''; and

(3) in subsection (c), by striking the first sentence.

SEC. 169. LIBERAL CONSTRUCTION OF CERTIFICATION OF WORKERS AND FIRMS.

(a) IN GENERAL.—Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391 et seq.) is amended by adding at the end the following:

''SEC. 288. LIBERAL CONSTRUCTION OF CERTIFICATION OF WORKERS AND FIRMS.

''The provisions of chapter 2 (relating to adjustment assistance for workers) and the provisions of chapter 3 (relating to adjustment assistance for firms) shall be liberally construed in favor of certifying workers for assistance under such chapter 2 and certifying firms for assistance under such chapter 3.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 287 the following:

''Sec. 288. Liberal construction of certification of workers and firms.''.

TITLE II—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

SEC. 201. TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) IN GENERAL.—Section 251 of the Trade Act of 1974 (19 U.S.C. 2341) is amended—

(1) in subsection (a), by inserting ''or service sector firm'' after ''(including any agricultural firm'';

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by inserting ''or service sector firm'' after ''any agricultural firm''; and

(ii) in subparagraph (B)—

(I) in clause (i), by striking '', or'' and inserting a comma;

(II) in clause (ii)—

(aa) by inserting ''or service'' after ''of an article''; and

(bb) by striking '', and'' and inserting a comma; and

(III) by adding at the end the following:

''(iii) sales or production, or both, of the firm, during the period consisting of not more than 36 months preceding the most recent 12-month period for which data are available, have decreased absolutely, or

''(iv) sales or production, or both, of an article or service that accounted for not less than 25 percent of the total production or sales of the firm during the 36-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and''; and

(B) in the matter preceding subparagraph (A) of paragraph (2) , by striking ''paragraph (1)(C)—'' and inserting ''paragraph (1)(C):''; and

(3) by adding at the end the following:

''(e) BASIS FOR THE DETERMINATION OF THE SECRETARY.—

''(1) INCREASED IMPORTS.—For purposes of subsection (c)(1)(C), the Secretary—

''(A) may use data from any of the preceding three calendar years to determine if the requirements of such subsection have been met;

''(B) may determine that increases of imports of like or directly competitive articles or services exist if customers accounting for a significant percentage of the decrease in the sales of the firm certify to the Secretary that such customers are obtaining such articles or services from a foreign country; and

''(C) may, in determining whether increased imports of like or directly competitive articles or services exist, give special consideration to whether it is difficult to demonstrate an increase of such imports if the share of such imports relative to production or consumption in the United States of the article produced or service provided by the firm concerned is already significant.

''(2) PROCESS AND METHODS FOR OBTAINING CERTIFICATIONS.—

''(A) REQUEST BY PETITIONER.—If requested by a firm, the Secretary shall obtain the certifications under paragraph (1)(B) in such manner as the Secretary determines is appropriate.

''(B) PROTECTION OF CONFIDENTIAL INFORMATION.—The Secretary may not release information obtained under subparagraph (A) that the Secretary considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Secretary, or such party subsequently consents to the release of the information. Nothing in this subparagraph shall be construed to prohibit a court from requiring the submission of such confidential business information to the court in camera.

''(f) NOTIFICATION TO FIRMS OF AVAILABILITY OF BENEFITS.—Upon receiving notice from the Secretary of Labor under section 225(c) of the identity of a firm or firms that are covered by a certification issued under section 223 or 223A, the Secretary of Commerce shall notify such firm or firms of the availability of adjustment assistance under this chapter.''.

(b) DEFINITION.—Section 261 of the Trade Act of 1974 (19 U.S.C. 2351) is amended—

(1) by striking ''For purposes of'' and inserting ''(a) FIRM.—For purposes of''; and

(2) by adding at the end the following:

''(b) SERVICE SECTOR FIRM.—For purposes of this chapter, the term 'service sector firm' means a firm engaged in the business of providing services.''.

SEC. 202. EXTENSION OF AUTHORIZATION OF TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by striking ''and $4,000,000 for the 3-month period beginning on October 1, 2007,'' inserting ''and $50,000,000 for each of fiscal years 2008 through 2012,'' after ''fiscal years 2003 through 2007,''; and

(2) by inserting after the first sentence the following: ''Of the amounts appropriated pursuant to this subsection for each fiscal year, $350,000 shall be available for full-time positions in the Department of Commerce to administer the program under this chapter.''.

SEC. 203. INDUSTRY-WIDE PROGRAMS FOR THE DEVELOPMENT OF NEW SERVICES.

Section 265(a) of the Trade Act of 1974 (19 U.S.C. 2355(a)) is amended—

(1) in the first sentence, by striking ''new product development'' and inserting ''the development of new products and services''; and

(2) in the second sentence, by inserting '', 223A,'' after ''223''.

SEC. 204. DEMONSTRATION PROJECT ON STRATEGIC TRADE TRANSFORMATION ASSISTANCE.

(a) IN GENERAL.—Chapter 3 of title II of the Trade Act of 1974 (19 U.S.C. 2341 et seq.) is amended by adding at the end the following:

''SEC. 266. DEMONSTRATION PROJECT ON STRATEGIC TRADE TRANSFORMATION ASSISTANCE.

''(a) IN GENERAL.—The Secretary shall conduct a demonstration project (in this section referred to as the 'project') to demonstrate a programmatic framework that will allow small- and medium-sized manufacturers in the United States to gain access to resources that will help them better compete domestically and globally. The project should include among its primary goals the following:

''(1) Expanding the number of firms capable of taking advantage of a trade remedy program without drastically increasing the cost of the remedy to the taxpayer.

''(2) Certifying and providing assistance to approximately 700 firms.

''(3) Integrating the benefits of other applicable government programs into the project, and making benefits from the project subject to that integration.

''(4) Increasing the number of small- and medium-sized firms that export and increasing the value of exports from these firms.

''(5) Increasing revenues that small- and medium-sized firms derive from sales to the Federal Government and State and local governments.

''(6) Expanding technology availability to the small- and medium-sized firm segment by increasing access to, and adoption of, the latest technologies being developed at Federal laboratories and at universities.

''(7) Improving the business and manufacturing practices of small- and medium-sized firms to enable them to become competitive in a global marketplace.

''(b) ADVISORY BOARD.—

''(1) IN GENERAL.—In carrying out the project, the Secretary shall establish an advisory board comprised of representatives described in paragraph (2) to provide advice and recommendations with respect to the establishment and operation of the project.

''(2) REPRESENTATIVES.—Representatives referred to in paragraph (1) shall consist of the respective executive directors of each Trade Adjustment Assistance Center affiliated with the trade adjustment assistance for firms program under this chapter.

''(c) DURATION.—The Secretary shall conduct the project for the 3-year period beginning on the date that is 180 days after the date of the enactment of this Act.

''(d) ADMINISTRATION OF PROJECT.—In implementing the project, the Secretary shall give preference, in entering into contracts for the operation and administration of the project, to Trade Adjustment Assistance Centers affiliated with the trade adjustment assistance for firms program under this chapter.

''(e) REPORT.—The Secretary shall submit to the Congress a report on the project under this section not later than 6 months after the date of the completion of the project. Such report shall include—

''(1) information on the impact of the project on mitigating the impact of imports in terms of competitiveness; and

''(2) recommendations on the cost-effectiveness of extending or expanding the project.

''(f) FUNDING.—Of the amounts made available to carry out this chapter for fiscal years 2008 through 2012, not more than $1,000,000 for each such fiscal year is authorized to be made available to carry out this section.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 265 the following:

''Sec. 266. Demonstration project on strategic trade transformation assistance.''.

TITLE III—TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

SEC. 301. ELIGIBILITY OF CERTAIN OTHER PRODUCERS.

Section 292 of the Trade Act of 1974 (19 U.S.C. 2401a) is amended—

(1) in subsection (a), by inserting ''and on the Website of the Department of Agriculture'' after ''Federal Register''; and

(2) by adding at the end the following:

''(f) ELIGIBILITY OF CERTAIN OTHER PRODUCERS.—An agricultural commodity producer or group of producers that resides outside of the State or region identified in a petition filed under subsection (a) may file a request to become a party to that petition not later than 30 days after the date notice is published in the Federal Register and on the Website of the Department of Agriculture with respect to that petition.''.

TITLE IV—UNEMPLOYMENT INSURANCE

SEC. 301. SHORT TITLE.

This title may be cited as the ''Unemployment Insurance Modernization Act''.

SEC. 302. SPECIAL TRANSFERS TO STATE ACCOUNTS IN THE UNEMPLOYMENT TRUST FUND.

(a) IN GENERAL.—Section 903 of the Social Security Act (42 U.S.C. 1103) is amended by adding at the end the following:

''Special Transfers in Fiscal Years 2008 Through 2012 for Modernization

''(f)(1)(A) In addition to any other amounts, the Secretary of Labor shall provide for the making of unemployment compensation modernization incentive payments (hereinafter 'incentive payments') to the accounts of the States in the Unemployment Trust Fund, by transfer from amounts reserved for that purpose in the Federal unemployment account, in accordance with succeeding provisions of this subsection.

''(B) The maximum incentive payment allowable under this subsection with respect to any State shall, as determined by the Secretary of Labor, be equal to the amount obtained by multiplying $7,000,000,000 times the same ratio as is applicable under subsection (a)(2)(B) for purposes of determining such State's share of any funds to be transferred under subsection (a) as of October 1, 2007.

''(C) Of the maximum incentive payment determined under subparagraph (B) with respect to a State—

''(i) one-third shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (2); and

''(ii) the remainder shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (3).

''(2) The State law of a State meets the requirements of this paragraph if such State law—

''(A) uses a base period that includes the most recently completed calendar quarter before the start of the benefit year for purposes of determining eligibility for unemployment compensation; or

''(B) provides that, in the case of an individual who would not otherwise be eligible for unemployment compensation under the State law because of the use of a base period that does not include the most recently completed calendar quarter before the start of the benefit year, eligibility shall be determined using a base period that includes such calendar quarter.

''(3) The State law of a State meets the requirements of this paragraph if such State law includes provisions to carry out at least 2 of the following subparagraphs:

''(A) An individual shall not be denied regular unemployment compensation under any State

law provisions relating to availability for work, active search for work, or refusal to accept work, solely because such individual is seeking only part-time (and not full-time) work, except that the State law provisions carrying out this subparagraph may exclude an individual if a majority of the weeks of work in such individual's base period do not include part-time work.

''(B) An individual shall not be disqualified from regular unemployment compensation for separating from employment if that separation is for compelling family reasons. For purposes of this subparagraph, the term 'compelling family reasons' includes at least the following:

''(i) Domestic violence (verified by such reasonable and confidential documentation as the State law may require) which causes the individual reasonably to believe that such individual's continued employment would jeopardize the safety of the individual or of any member of the individual's immediate family.

''(ii) The illness or disability of a member of the individual's immediate family.

''(iii) The need for the individual to accompany such individual's spouse—

''(I) to a place from which it is impractical for such individual to commute; and

''(II) due to a change in location of the spouse's employment.

''(C) Weekly unemployment compensation is payable under this subparagraph to any individual who is unemployed (as determined under the State unemployment compensation law), has exhausted all rights to regular and (if applicable) extended unemployment compensation under the State law, and is enrolled and making satisfactory progress in a State-approved training program or in a job training program authorized under the Workforce Investment Act of 1998. Such program shall prepare individuals who have been separated from a declining occupation, or who have been involuntarily and indefinitely separated from employment as a result of a permanent reduction of operations at the individual's place of employment, for entry into a high-demand occupation. The amount of unemployment compensation payable under this subparagraph to an individual for a week of unemployment shall be equal to the individual's average weekly benefit amount (including dependents' allowances) for the most recent benefit year, and the total amount of unemployment compensation payable under this subparagraph to any individual shall be equal to at least 26 times the individual's average weekly benefit amount (including dependents' allowances) for the most recent benefit year.

''(4)(A) Any State seeking an incentive payment under this subsection shall submit an application therefor at such time, in such manner, and complete with such information as the Secretary of Labor may by regulation prescribe, including information relating to compliance with the requirements of paragraph (2) or (3), as well as how the State intends to use the incentive payment to improve or strengthen the State's unemployment compensation program. The Secretary of Labor shall, within 90 days after receiving a complete application, notify the State agency of the State of the Secretary's findings with respect to the requirements of paragraph (2) or (3) (or both).

''(B) If the Secretary of Labor finds that the State law provisions (disregarding any State law provisions which are not then currently in effect as permanent law or which are subject to discontinuation under certain conditions) meet the requirements of paragraph (2) or (3), as the case may be, the Secretary of Labor shall thereupon make a certification to that effect to the Secretary of the Treasury, together with a certification as to the amount of the incentive payment to be transferred to the State account pursuant to that finding. The Secretary of the Treasury shall make the appropriate transfer within 30 days after receiving such certification.

''(C)(i) No certification of compliance with the requirements of paragraph (2) or (3) may be made with respect to any State whose State law is not otherwise eligible for certification under section 303 or approvable under section 3304 of the Federal Unemployment Tax Act.

''(ii) No certification of compliance with the requirements of paragraph (3) may be made with respect to any State whose State law is not in compliance with the requirements of paragraph (2).

''(iii) No application under subparagraph (A) may be considered if submitted before October 1, 2007, or after the latest date necessary (as specified by the Secretary of Labor in regulations) to ensure that all incentive payments under this subsection are made before October 1, 2012.

''(5)(A) Except as provided in subparagraph (B), any amount transferred to the account of a State under this subsection may be used by such State only in the payment of cash benefits to individuals with respect to their unemployment (including for dependents' allowances and for unemployment compensation under paragraph (3)(C)), exclusive of expenses of administration.

''(B) A State may, subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection), use any amount transferred to the account of such State under this subsection for the administration of its unemployment compensation law and public employment offices.

''(6) Out of any money in the Federal unemployment account not otherwise appropriated, the Secretary of the Treasury shall reserve $7,000,000,000 for incentive payments under this subsection. Any amount so reserved shall not be taken into account for purposes of any determination under section 902, 910, or 1203 of the amount in the Federal unemployment account as of any given time. Any amount so reserved for which the Secretary of the Treasury has not received a certification under paragraph (4)(B) by the deadline described in paragraph (4)(C)(iii) shall, upon the close of fiscal year 2012, become unrestricted as to use as part of the Federal unemployment account.

''(7) For purposes of this subsection, the terms 'benefit year', 'base period', and 'week' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

''Special Transfers in Fiscal Years 2008 Through 2012 for Administration

''(g)(1) Notwithstanding any other provision of this section, the total amount available for transfer to the accounts of the States pursuant to subsection (a) as of the beginning of each of fiscal years 2008, 2009, 2010, 2011, and 2012 shall be equal to the total amount which (disregarding this subsection) would otherwise be so available, increased by $100,000,000.

''(2) Each State's share of any additional amount made available by this subsection shall be determined, certified, and computed in the same manner as described in subsection (a)(2) and shall be subject to the same limitations on transfers as described in subsection (b). For purposes of applying subsection (b)(2), the balance of any advances made to a State under section 1201 shall be credited against, and operate to reduce (but not below zero)—

''(A) first, any additional amount which, as a result of the enactment of this subsection, is to be transferred to the account of such State in a fiscal year; and

''(B) second, any amount which (disregarding this subsection) is otherwise to be transferred to the account of such State pursuant to subsections (a) and (b) in such fiscal year.

''(3) Any additional amount transferred to the account of a State as a result of the enactment of this subsection—

''(A) may be used by the State agency of such State only in the payment of expenses incurred by it for—

''(i) the administration of the provisions of its State law carrying out the purposes of subsection (f)(2) or any subparagraph of subsection (f)(3);

''(ii) improved outreach to individuals who might be eligible for regular unemployment compensation by virtue of any provisions of the State law which are described in clause (i);

''(iii) the improvement of unemployment benefit and unemployment tax operations; and

''(iv) staff-assisted reemployment services for unemployment compensation claimants; and

''(B) shall be excluded from the application of subsection (c).

''(4) The total additional amount made available by this subsection in a fiscal year shall be taken out of the amounts remaining in the employment security administration account after subtracting the total amount which (disregarding this subsection) is otherwise required to be transferred from such account in such fiscal year pursuant to subsections (a) and (b).''.

(b) REGULATIONS.—The Secretary of Labor may prescribe any regulations necessary to carry out the amendment made by subsection (a).

SEC. 303. EXTENSION OF FUTA TAX.

Section 3301 of the Internal Revenue Code of 1986 (relating to rate of tax) is amended—

(1) by striking ''2007'' in paragraph (1) and inserting ''2010'', and

(2) by striking ''2008'' in paragraph (2) and inserting ''2011''.

SEC. 304. SAFETY NET REVIEW COMMISSION.

(a) ESTABLISHMENT.—The Secretary of Labor shall establish an advisory commission to be known as the ''Safety Net Review Commission'' (hereinafter in this section referred to as the ''Commission'').

(b) FUNCTION.—It shall be the function of the Commission to evaluate the unemployment compensation program, the Trade Adjustment Assistance program, the Job Corps program, a program under the Workforce Investment Act, and other employment assistance programs, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of each such program, as well as any related provisions of the Internal Revenue Code of 1986, and to make recommendations for their improvement.

(c) MEMBERS.—

(1) IN GENERAL.—The Commission shall consist of 11 members as follows:

(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance of the Senate.

(C) 3 members appointed by the Speaker of the House of Representatives, in consultation with the Chairman and ranking member of the Committee on Ways and Means of the House of Representatives.

(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C) of paragraph (1), the President pro tempore of the Senate and the Speaker of the House of Representatives shall each appoint—

(A) 1 representative of the interests of business,

(B) 1 representative of the interests of labor, and

(C) 1 representative of the interests of State governments.

(3) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(4) CHAIRMAN.—The President shall appoint the Chairman of the Commission from among its members.

(d) STAFF AND OTHER ASSISTANCE.—

(1) IN GENERAL.—The Commission may engage any technical assistance (including actuarial services) required by the Commission to carry out its functions under this section.

(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide the Commission with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Commission to carry out its functions under this section.

(e) COMPENSATION.—Each member of the Commission—

(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Commission; and

(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of such title 5 for persons in the Government employed intermittently.

(f) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Commission shall submit to the President and the Congress a report setting forth the findings and recommendations of the Commission as a result of its evaluation under this section.

(g) TERMINATION.—The Commission shall terminate 2 months after submitting its report pursuant to subsection (f).

TITLE V—MANUFACTURING REDEVELOPMENT ZONES

SEC. 401. MANUFACTURING REDEVELOPMENT ZONES.

(a) IN GENERAL.—Subchapter Y of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new part:

"PART III—MANUFACTURING REDEVELOPMENT ZONES

"SEC. 1400U–1. DESIGNATION OF MANUFACTURING REDEVELOPMENT ZONES.

''(a) IN GENERAL.—From among the areas nominated for designation under this section, the Secretary may designate manufacturing redevelopment zones.

''(b) LIMITATIONS ON DESIGNATIONS.—The Secretary may designate in the aggregate 24 nominated areas as manufacturing redevelopment zones, subject to the availability of eligible nominated areas. The Secretary shall designate manufacturing redevelopment zones in such manner that the aggregate population of all such zones does not exceed 2,000,000.

''(c) PERIOD DESIGNATION MAY BE MADE.—A designation may be made under subsection (a) only during the 2-year period beginning on the date of the enactment of this section.

''(d) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

''(1) IN GENERAL.—Any designation under this section shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

''(A) the close of the 10th calendar year beginning on or after the date of the designation,

''(B) the termination date designated by the State and local governments as provided for in their nomination, or

''(C) the date the Secretary revokes the designation.

''(2) REVOCATION OF DESIGNATION.—The Secretary may revoke the designation under this section of an area if such Secretary determines that the local government or the State in which it is located—

''(A) has modified the boundaries of the area, or

''(B) is not complying substantially with, or fails to make progress in achieving the benchmarks set forth in, the strategic plan included with the application

''(e) LIMITATIONS ON DESIGNATIONS; APPLICATION.—Rules similar to the rules of subsections (e) and (f) of section 1391 shall apply for purposes of this section except that the rules of such subsection (f) shall be applied with respect to the eligibility criteria specified in section 1400U–2.

''(f) DETERMINATIONS OF POPULATION.—Any determination of population under this part shall be made on the basis of the most recent decennial census for which data are available.

"SEC. 1400U–2. ELIGIBILITY CRITERIA.

''(a) IN GENERAL.—A nominated area shall be eligible for designation under section 1400U–1 only if—

''(1) it meets each of the criteria specified in section 1392(a),

''(2) the nominated area has experienced a significant decline in the number of individuals employed in manufacturing or has a high concentration of abandoned or underutilized manufacturing facilities, and

''(3) no portion of the nominated area is located in an empowerment zone or renewal community, unless the local government which nominated the area elects to terminate such designation as an empowerment zone or renewal community.

''(b) APPLICATION OF CERTAIN RULES; DEFINITIONS.—For purposes of this subchapter—

''(1) rules similar to the rules of subsections (b), (c), and (d) of section 1392 and paragraphs (4), (7), (8), and (9) of section 1393(a) shall apply, and

''(2) any term defined in section 1393 shall have the same meaning when used in this subchapter.

''(c) DISCRETION TO ADJUST REQUIREMENTS.—In determining whether a nominated area is eligible for designation as a manufacturing redevelopment zone, the Secretary may, where necessary to carry out the purposes of this part, waive the requirement of section 1392(a)(4) if it is shown that the nominated area has experienced a loss of manufacturing jobs during the previous 20 years which is in excess of 25 percent.

"SEC. 1400U–3. MANUFACTURING REDEVELOPMENT TAX CREDIT BONDS.

''(a) IN GENERAL.—For purposes of subpart I of part IV of subchapter A (relating to qualified tax credit bonds), the term 'manufacturing redevelopment bond' means any bond issued as part of an issue if—

''(1) 100 percent of the available project proceeds of such issue are to be used for one or more qualified manufacturing redevelopment purposes,

''(2) the bond is not a private activity bond, and

''(3) the local government which nominated the area to which such bond relates designates such bond for purposes of this section.

''(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under subsection (a) with respect to any manufacturing redevelopment zone shall not exceed $150,000,000.

''(c) QUALIFIED MANUFACTURING REDEVELOPMENT PURPOSE.—For purposes of this section, the term 'qualified manufacturing redevelopment purposes' means capital expenditures paid or incurred with respect to property located in a manufacturing redevelopment zone for purposes of promoting development or other economic activity in such zone, including expenditures for environmental remediation, improvements to public infrastructure, and construction of public facilities.

''(d) DEFINITIONS.—For purposes of this section, any term used in this section which is also used in section 54A shall have the same meaning given such term by section 54A.

"SEC. 1400U–4. TAX-EXEMPT MANUFACTURING ZONE FACILITY BONDS.

''(a) IN GENERAL.—For purposes of part IV of subchapter B (relating to tax exemption requirements for State and local bonds), the term 'exempt facility bond' includes any bond issued as part of an issue if—

''(1) 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of such issue are to be used for manufacturing zone property, and

''(2) the local government which nominated the area to which such bond relates designates such bond for purposes of this section.

''(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

''(1) IN GENERAL.—The aggregate face amount of bonds which may be designated under subsection (a)(2) with respect to any manufacturing redevelopment zone shall not exceed $230,000,000.

''(2) CURRENT REFUNDING NOT TAKEN INTO ACCOUNT.—In the case of a refunding (or series of refundings) of a bond designated under this section, the refunding obligation shall be treated as designated under subsection (a)(2) (and shall not be taken into account in applying paragraph (1)) if—

''(A) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

''(B) the refunded bond is redeemed not later than 90 days after the date of issuance of the refunding bond.

''(c) LIMITATION ON AMOUNT OF BONDS ALLOCABLE TO ANY PERSON.—

''(1) IN GENERAL.—Subsection (a) shall not apply to any issue if the aggregate amount of outstanding manufacturing zone facility bonds allocable to any person (taking into account such issue) exceeds—

''(A) $15,000,000 with respect to any 1 manufacturing redevelopment zone, or

''(B) $20,000,000 with respect to all manufacturing redevelopment zones.

''(2) AGGREGATE ENTERPRISE ZONE FACILITY BOND BENEFIT.—For purposes of paragraph (1), the aggregate amount of outstanding manufacturing zone facility bonds allocable to any person shall be determined under rules similar to the rules of section 144(a)(10), taking into account only bonds to which subsection (a) applies.

''(d) MANUFACTURING ZONE PROPERTY.—For purposes of this section—

''(1) IN GENERAL.—The term 'manufacturing zone property' means any property to which section 168 applies (or would apply but for section 179) if—

''(A) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after the date on which the designation of the manufacturing redevelopment zone took effect,

''(B) the original use of which in the manufacturing redevelopment zone commences with the taxpayer, and

''(C) substantially all of the use of which is in the manufacturing redevelopment zone and is in the active conduct of a qualified business by the taxpayer in such zone.

''(2) QUALIFIED BUSINESS.—The term 'qualified business' means any trade or business except that—

''(A) the rental to others of real property located in a manufacturing redevelopment zone shall be treated as a qualified business only if the property is not residential rental property (as defined in section 168(e)(2)), and

''(B) such term shall not include any trade or business consisting of the operation of any facility described in section 144(c)(6)(B).

''(3) SPECIAL RULES FOR SUBSTANTIAL RENOVATIONS AND SALE-LEASEBACK.—Rules similar to

the rules of subsections (a)(2) and (b) of section 1397D shall apply for purposes of this subsection.

''(e) NONAPPLICATION OF CERTAIN RULES.—Sections 57(a)(5) (relating to tax-exempt interest), 146 (relating to volume cap), and 147(d) (relating to acquisition of existing property not permitted) shall not apply to any manufacturing zone facility bond.

''SEC. 1400U–5. ADDITIONAL LOW-INCOME HOUSING CREDITS.

''(a) IN GENERAL.—For purposes of section 42, in the case of each calendar year during which the designation of a manufacturing redevelopment zone is in effect, the State housing credit ceiling of the State which includes such manufacturing redevelopment zone shall be increased by the lesser of—

''(1) the aggregate housing credit dollar amount allocated by the State housing credit agency of such State to buildings located in such manufacturing redevelopment zone for such calendar year, or

''(2) the excess of—

''(A) the manufacturing zone housing amount with respect to such manufacturing redevelopment zone, over

''(B) the aggregate increases under this subsection with respect to such zone for all preceding calendar years.

''(b) MANUFACTURING ZONE HOUSING AMOUNT.—For purposes of subsection (a), the term 'manufacturing zone housing amount' means, with respect to any manufacturing redevelopment zone, the product of $20 multiplied by the population of such zone.

''(c) OTHER RULES.—

''(1) CARRYOVERS.—Rules similar to the rules of section 1400N(c)(1)(C) shall apply for purposes of this section.

''(2) RETURNED AMOUNTS.—If any amount of State housing credit ceiling which was taken into account under subsection (a)(1) is returned within the meaning of section 42(h)(3)(C)(iii)—

''(A) such amount shall not be taken into account under such section, and

''(B) such allocation shall cease to be treated as an increase under this subsection for purposes of subsection (a)(2)(B) until reallocated.''.

(b) APPLICATION OF WORK OPPORTUNITY TAX CREDIT TO MANUFACTURING REDEVELOPMENT ZONES.—Subparagraphs (A) and (B) of section 51(d)(5) of such Code are each amended by inserting ''manufacturing redevelopment zone,'' after ''renewal community,''.

(c) CONFORMING AMENDMENTS RELATED TO MANUFACTURING REDEVELOPMENT TAX CREDIT BONDS.—

(1) GENERAL RULES.—Part IV of subchapter A of chapter 1 of such Code (relating to credits against tax) is amended by adding at the end the following new subpart:

''Subpart I—Qualified Tax Credit Bonds

''Sec. 54A. Credit to holders of qualified tax credit bonds.

''SEC. 54A. CREDIT TO HOLDERS OF QUALIFIED TAX CREDIT BONDS.

''(a) ALLOWANCE OF CREDIT.—If a taxpayer holds a qualified tax credit bond on one or more credit allowance dates of the bond during any taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to such dates.

''(b) AMOUNT OF CREDIT.—

''(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified tax credit bond is 25 percent of the annual credit determined with respect to such bond.

''(2) ANNUAL CREDIT.—The annual credit determined with respect to any qualified tax credit bond is the product of—

''(A) the applicable credit rate, multiplied by

''(B) the outstanding face amount of the bond.

''(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (2), the applicable credit rate is the rate which the Secretary estimates will permit the issuance of qualified tax credit bonds with a specified maturity or redemption date without discount and without interest cost to the qualified issuer. The applicable credit rate with respect to any qualified tax credit bond shall be determined as of the first day on which there is a binding, written contract for the sale or exchange of the bond.

''(4) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed or matures.

''(c) LIMITATION BASED ON AMOUNT OF TAX.—

''(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under this part (other than subpart C and this subpart).

''(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year (determined before the application of paragraph (1) for such succeeding taxable year).

''(d) QUALIFIED TAX CREDIT BOND.—For purposes of this section—

''(1) QUALIFIED TAX CREDIT BOND.—The term 'qualified tax credit bond' means a manufacturing redevelopment bond (as defined in section 1400U–3) which is part of an issue that meets the requirements of paragraphs (2), (3), (4), (5), and (6).

''(2) SPECIAL RULES RELATING TO EXPENDITURES.—

''(A) IN GENERAL.—An issue shall be treated as meeting the requirements of this paragraph if, as of the date of issuance, the issuer reasonably expects—

''(i) 100 percent or more of the available project proceeds to be spent for 1 or more qualified purposes within the 3-year period beginning on such date of issuance, and

''(ii) a binding commitment with a third party to spend at least 10 percent of such available project proceeds will be incurred within the 6-month period beginning on such date of issuance.

''(B) FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 3 YEARS.—

''(i) IN GENERAL.—To the extent that less than 100 percent of the available project proceeds of the issue are expended by the close of the expenditure period for 1 or more qualified purposes, the issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

''(ii) EXPENDITURE PERIOD.—For purposes of this subpart, the term 'expenditure period' means, with respect to any issue, the 3-year period beginning on the date of issuance. Such term shall include any extension of such period under clause (iii).

''(iii) EXTENSION OF PERIOD.—Upon submission of a request prior to the expiration of the expenditure period (determined without regard to any extension under this clause), the Secretary may extend such period if the issuer establishes that the failure to expend the proceeds within the original expenditure period is due to reasonable cause and the expenditures for qualified purposes will continue to proceed with due diligence.

''(C) QUALIFIED PURPOSE.—For purposes of this paragraph, the term 'qualified purpose' means a purpose specified in section 1400U–3(a)(1).

''(D) REIMBURSEMENT.—For purposes of this subtitle, available project proceeds of an issue shall be treated as spent for a qualified purpose if such proceeds are used to reimburse the issuer for amounts paid for a qualified purpose after the date that the Secretary makes an allocation of bond limitation with respect to such issue, but only if—

''(i) prior to the payment of the original expenditure, the issuer declared its intent to reimburse such expenditure with the proceeds of a qualified tax credit bond,

''(ii) not later than 60 days after payment of the original expenditure, the issuer adopts an official intent to reimburse the original expenditure with such proceeds, and

''(iii) the reimbursement is made not later than 18 months after the date the original expenditure is paid.

''(3) REPORTING.—An issue shall be treated as meeting the requirements of this paragraph if the issuer of qualified tax credit bonds submits reports similar to the reports required under section 149(e).

''(4) SPECIAL RULES RELATING TO ARBITRAGE.—

''(A) IN GENERAL.—An issue shall be treated as meeting the requirements of this paragraph if the issuer satisfies the requirements of section 148 with respect to the proceeds of the issue.

''(B) SPECIAL RULE FOR INVESTMENTS DURING EXPENDITURE PERIOD.—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any investment of available project proceeds during the expenditure period.

''(C) SPECIAL RULE FOR RESERVE FUNDS.—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any fund which is expected to be used to repay such issue if—

''(i) such fund is funded at a rate not more rapid than equal annual installments,

''(ii) such fund is funded in a manner that such fund will not exceed the amount necessary to repay the issue if invested at the maximum rate permitted under clause (iii), and

''(iii) the yield on such fund is not greater than the discount rate determined under paragraph (5)(B) with respect to the issue.

''(5) MATURITY LIMITATION.—

''(A) IN GENERAL.—An issue shall not be treated as meeting the requirements of this paragraph if the maturity of any bond which is part of such issue exceeds the maximum term determined by the Secretary under subparagraph (B).

''(B) MAXIMUM TERM.—During each calendar month, the Secretary shall determine the maximum term permitted under this paragraph for bonds issued during the following calendar month. Such maximum term shall be the term which the Secretary estimates will result in the present value of the obligation to repay the principal on the bond being equal to 50 percent of the face amount of such bond. Such present value shall be determined using as a discount rate the average annual interest rate of tax-exempt obligations having a term of 10 years or more which are issued during the month. If the term as so determined is not a multiple of a whole year, such term shall be rounded to the next highest whole year.

''(e) OTHER DEFINITIONS.—For purposes of this subchapter—

''(1) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means—

''(A) March 15,

''(B) June 15,

''(C) September 15, and

''(D) December 15.

Such term includes the last day on which the bond is outstanding.

''(2) BOND.—The term 'bond' includes any obligation.

''(3) STATE.—The term 'State' includes the District of Columbia and any possession of the United States.

''(4) AVAILABLE PROJECT PROCEEDS.—The term 'available project proceeds' means—

''(A) the excess of—

''(i) the proceeds from the sale of an issue, over

''(ii) the issuance costs financed by the issue (to the extent that such costs do not exceed 2 percent of such proceeds), and

''(B) the proceeds from any investment of the excess described in subparagraph (A).

''(f) CREDIT TREATED AS INTEREST.—For purposes of this subtitle, the credit determined under subsection (a) shall be treated as interest which is includible in gross income.

''(g) S CORPORATIONS AND PARTNERSHIPS.—In the case of a tax credit bond held by an S corporation or partnership, the allocation of the credit allowed by this section to the shareholders of such corporation or partners of such partnership shall be treated as a distribution.

''(h) BONDS HELD BY REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—If any qualified tax credit bond is held by a regulated investment company or a real estate investment trust, the credit determined under subsection (a) shall be allowed to shareholders of such company or beneficiaries of such trust (and any gross income included under subsection (f) with respect to such credit shall be treated as distributed to such shareholders or beneficiaries) under procedures prescribed by the Secretary.''.

(2) REPORTING.—Subsection (d) of section 6049 of such Code (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

''(9) REPORTING OF CREDIT ON QUALIFIED TAX CREDIT BONDS.—

''(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54A and such amounts shall be treated as paid on the credit allowance date (as defined in section 54A(e)(1)).

''(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

''(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.''.

(3) OTHER CONFORMING AMENDMENTS RELATED TO TAX CREDIT BONDS.—

(A) Sections 54(c)(2) and 1400N(l)(3)(B) of such Code are each amended by striking ''subpart C'' and inserting ''subparts C and I''.

(B) Section 1397E(c)(2) of such Code is amended by striking ''subpart H'' and inserting ''subparts H and I''.

(C) Section 6401(b)(1) of such Code is amended by striking ''and H'' and inserting ''H, and I''.

(D) The heading of subpart H of part IV of subchapter A of chapter 1 of such Code is amended by striking ''**Certain Bonds**'' and inserting ''**Clean Renewable Energy Bonds**''.

(E) The table of subparts for part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to subpart H and inserting the following new items:

''SUBPART H—NONREFUNDABLE CREDIT TO HOLDERS OF CLEAN RENEWABLE ENERGY BONDS

''SUBPART I—QUALIFIED TAX CREDIT BONDS''.

(d) CLERICAL AMENDMENT.—The table of parts for subchapter Y of chapter 1 of such Code is amended by adding at the end the following new item:

''PART III—MANUFACTURING REDEVELOPMENT BONDS''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) BOND PROVISIONS.—Sections 1400U–3 and 1400U–4 of the Internal Revenue Code of 1986 (as added by subsection (a)), and the amendments made by subsection (c), shall apply to obligations issued after the date of the enactment of this Act.

(3) WORK OPPORTUNITY TAX CREDIT.—The amendments made by subsection (b) shall apply to individuals who begin work for the employer after the date of the enactment of this Act.

SEC. 402. DELAY IN APPLICATION OF WORLDWIDE INTEREST ALLOCATION.

(a) IN GENERAL.—Paragraphs (5)(D) and (6) of section 864(f) of the Internal Revenue Code of 1986 are each amended by striking ''December 31, 2008'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

TITLE VI—WORKER ADJUSTMENT AND RETRAINING NOTIFICATION

SEC. 601. SHORT TITLE.

This title may be cited as the ''Early Warning and Health Care for Workers Affected by Globalization Act''.

SEC. 602. AMENDMENTS TO THE WARN ACT.

(a) DEFINITIONS.—

(1) EMPLOYER, PLANT CLOSING, AND MASS LAYOFF.—Paragraphs (1) through (3) of section 2(a) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2101(a)(1)–(3)) are amended to read as follows:

''(1) the term 'employer' means any business enterprise that employs 100 or more employees;

''(2) the term 'plant closing' means the permanent or temporary shutdown of a single site of employment, or of one or more facilities or operating units within a single site of employment, which results in an employment loss at such site, during any 30-day period, for 50 or more employees;

''(3) the term 'mass layoff' means a reduction in force at a single site of employment which results in an employment loss at such site, during any 30-day period, for 50 or more employees.''.

(2) SECRETARY OF LABOR.—

(A) DEFINITION.—Paragraph (8) of such section is amended to read as follows:

''(8) the term 'Secretary' means the Secretary of Labor or a representative of the Secretary of Labor.''.

(B) REGULATIONS.—Section 8(a) of such Act (29 U.S.C. 2107(a)) is amended by striking ''of Labor''.

(3) CONFORMING AMENDMENTS.—

(A) NOTICE.—Section 3(d) of such Act (29 U.S.C. 2102(d)) is amended by striking out '', each of which is less than the minimum number of employees specified in section 2(a)(2) or (3) but which in the aggregate exceed that minimum number,'' and inserting ''which in the aggregate exceed the minimum number of employees specified in section 2(a)(2) or (3)''.

(B) DEFINITIONS.—Section 2(b)(1) of such Act (29 U.S.C. 2101(b)(1)) is amended by striking ''(other than a part-time employee)''.

(b) NOTICE.—

(1) NOTICE PERIOD.—

(A) IN GENERAL.—Section 3 of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2102) is amended by striking ''60-day period'' and inserting ''90-day period'' each place it appears.

(B) CONFORMING AMENDMENT.—Section 5(a)(1) of such Act (29 U.S.C. 2104(a)(1)) is amended in the matter following subparagraph (B), by striking ''60 days'' and inserting ''90 days''.

(2) RECIPIENTS.—Section 3(a) of such Act (29 U.S.C. 2102(a)) is amended—

(A) in paragraph (1), by striking ''or, if there is no such representative at that time, to each affected employee; and'' and inserting ''and to each affected employee;''; and

(B) by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following:

''(2) to the Secretary; and''.

(3) INFORMATION REGARDING BENEFITS AND SERVICES AVAILABLE TO WORKERS AND DOL NOTICE TO CONGRESS.—Section 3 of such Act (29 U.S.C. 2102) is further amended by adding at the end the following:

''(e) INFORMATION REGARDING BENEFITS AND SERVICES AVAILABLE TO EMPLOYEES.—Concurrent with or immediately after providing the notice required under subsection (a)(1), an employer shall provide affected employees with information regarding the benefits and services available to such employees, as described in the guide compiled by the Secretary under section 12.

''(f) DOL NOTICE TO CONGRESS.—As soon as practicable and not later than 15 days after receiving notification under subsection (a)(2), the Secretary of Labor shall notify the appropriate Senators and Members of the House of Representatives who represent the area or areas where the plant closing or mass layoff is to occur.''.

(c) ENFORCEMENT.—

(1) AMOUNT.—Section 5(a)(1) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2104(a)(1)) is amended—

(A) in subparagraph (A)—

(i) by striking ''back pay for each day of violation'' and inserting ''two days' pay multiplied by the number of calendar days short of 90 that the employer provided notice before such closing or layoff''

(ii) in clause (ii), by striking ''and'' at the end thereof;

(B) by redesignating subparagraph (B) as subparagraph (C);

(C) by inserting after subparagraph (A) the following:

''(B) interest on the amount described in subparagraph (A) calculated at the prevailing rate; and''; and

(D) by striking the matter following subparagraph (C) (as so redesignated).

(2) EXEMPTION.—Section 5(a)(4) of such Act (29 U.S.C. 2104(a)(4)) is amended by striking ''reduce the amount of the liability or penalty provided for in this section'' and inserting ''reduce the amount of the liability under subparagraph (C) of paragraph (1) and reduce the amount of the penalty provided for in paragraph (3)''.

(3) ADMINISTRATIVE COMPLAINT.—Section 5(a)(5) of such Act (29 U.S.C. 2104(a)(5)) is amended—

(A) by striking ''may sue'' and inserting ''may,'';

(B) by inserting after ''both,'' the following: ''(A) file a complaint with the Secretary alleging a violation of section 3, or (B) bring suit''; and

(C) by adding at the end thereof the following new sentence: ''A person seeking to enforce such liability may use one or both of the enforcement mechanisms described in subparagraphs (A) and (B).''.

(4) ACTION BY THE SECRETARY.—Section 5 of such Act (29 U.S.C. 2104) is amended—

(A) by redesignating subsection (b) as subsection (d); and

(B) by inserting after subsection (a) the following new subsections:

''(b) ACTION BY THE SECRETARY.—

''(1) ADMINISTRATIVE ACTION.—The Secretary shall receive, investigate, and attempt to resolve complaints of violations of section 3 by an employer in the same manner that the Secretary receives, investigates, and attempts to resolve complaints of violations of sections 6 and 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206 and 207).

''(2) SUBPOENA POWERS.—For the purposes of any investigation provided for in this section, the Secretary shall have the subpoena authority provided for under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

''(3) SUMS RECOVERED.—Any sums recovered by the Secretary on behalf of an employee under subparagraphs (A), (B), and (D) of section

5(a)(1) shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to each employee affected. Any such sums not paid to an employee because of inability to do so within a period of 3 years, and any sums recovered by the Secretary under subparagraph (C) of section 5(a)(1), shall be credited as an offsetting collection to the appropriations account of the Secretary of Labor for expenses for the administration of this Act and shall remain available to the Secretary until expended.

''(c) LIMITATIONS.—

''(1) LIMITATIONS PERIOD.—An action may be brought under this section not later than 2 years after the date of the last event constituting the alleged violation for which the action is brought.

''(2) COMMENCEMENT.—In determining when an action is commenced under this section for the purposes of paragraph (1), it shall be considered to be commenced on the date on which the complaint is filed.''.

(d) POSTING OF NOTICES; PENALTIES.—Section 11 of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2101 note) is amended to read as follows:

''SEC. 11. POSTING OF NOTICES; PENALTIES.

''(a) POSTING OF NOTICES.—Each employer shall post and keep posted in conspicuous places upon its premises where notices to employees are customarily posted a notice to be prepared or approved by the Secretary setting forth excerpts from, or summaries of, the pertinent provisions of this chapter and information pertinent to the filing of a complaint.

''(b) PENALTIES.—A willful violation of this section shall be punishable by a fine of not more than $500 for each separate offense.''.

(e) NON-WAIVER OF RIGHTS AND REMEDIES; INFORMATION REGARDING BENEFITS AND SERVICES AVAILABLE TO EMPLOYEES.—Such Act is further amended by adding at the end the following:

''SEC. 12. RIGHTS AND REMEDIES NOT SUBJECT TO WAIVER.

''(a) IN GENERAL.—The rights and remedies provided under this Act (including the right to maintain a civil action) may not be waived, deferred, or lost pursuant to any agreement or settlement other than an agreement or settlement described in subsection (b).

''(b) AGREEMENT OR SETTLEMENT.—An agreement or settlement referred to in subsection (a) is an agreement or settlement negotiated by the Secretary, an attorney general of any State, or a private attorney on behalf of affected employees.

''SEC. 13. INFORMATION REGARDING BENEFITS AND SERVICES AVAILABLE TO WORKERS.

''The Secretary of Labor shall maintain a guide of benefits and services which may be available to affected employees, including unemployment compensation, trade adjustment assistance, COBRA benefits, and early access to training and other services, including counseling services, available under the Workforce Investment Act of 1998. Such guide shall be available on the Internet website of the Department of Labor and shall include a description of the benefits and services, the eligibility requirements, and the means of obtaining such benefits and services. Upon receiving notice from an employer under section 3(a)(2), the Secretary shall immediately transmit such guide to such employer.''.

(f) NOTICE EXCUSED WHERE CAUSED BY TERRORIST ATTACK.—Section 3(b)(2) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2102(b)(2)) is amended by adding at the end the following new subparagraph:

''(C) No notice under this Act shall be required if the plant closing or mass layoff is due directly or indirectly to a terrorist attack on the United States.''.

SEC. 603. EFFECTIVE DATE.

Except as otherwise provided in this Act, the provisions of this Act, and the amendments made by this Act, shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore. Debate shall not exceed 1 hour, with 40 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, and 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor.

After 1 hour of debate on the bill, as amended, it shall be in order to consider the amendment in the nature of a substitute printed in part B of the report, if offered by the gentleman from Louisiana (Mr. MCCRERY) or his designee, which shall be in order without intervention of any point of order, shall be considered read, and shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

The gentleman from New York (Mr. RANGEL) and the gentleman from Louisiana (Mr. MCCRERY) each will control 20 minutes, and the gentleman from California (Mr. GEORGE MILLER) and the gentleman from California (Mr. MCKEON) each will control 10 minutes.

The Chair recognizes the gentleman from New York.

□ 1215

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Before I ask unanimous consent to yield the balance of my time to our distinguished subcommittee chairman for Trade, Mr. LEVIN, I first want to thank Mr. MCCRERY for helping to set the stage for at least the Ways and Means Committee to vote unanimously for the free trade agreement with Peru. This was a record vote, this was a historic vote, and we had every vote on the committee.

I raise that at this time not to curry favor with the Republicans to support this historic piece of legislation before us, but because I know from Mr. MCCRERY's input and contribution, he recognizes that trade no longer has to be seen as something that is negative to American workers.

Good trade agreements that create jobs should be allowed a vote and not be hurried so that Members are not impeded from the policy and really have an opportunity to study the substance. Without his cooperation and that of the United States Trade Representative and Secretary Treasurer, we would not even have the opportunity to look forward to the bipartisan victory we had in the committee and look forward to on the floor.

A part of that agreement, however, was he and I sharing that when people are without work, without jobs, without hope, when communities are adversely affected because of trade, that our government and our multinationals have a responsibility not just to their shareholders, but to do all that they can to ease the pain, to encourage investment, and to have a climate, whether it is globalization or technology, to know that trade is not always the villain.

And to the extent we are able to improve on many of the things that we have in this bill before us, we do hope that the Trade and Globalization Assistance Act will be just the beginning. That whether it is trade or not, we have a responsibility to the dignity of American workers and their children so that in this great country they can aspire to be working and to have the respect that all Americans would want in terms of being producers.

So to the extent that we had the cooperation of Mr. MCCRERY in creating the climate, and fully appreciating that we had input from Republicans on the Ways and Means Committee, even though we didn't ask for their votes and accept their amendments, it is this climate that makes our country so great, that makes this Congress so great, and makes me proud to be the Chair and a member of the Ways and Means Committee.

I rise today in strong support of H.R. 3920, the Trade and Globalization Assistance Act of 2007.

We come here today at a crossroads of sorts.

In recent years, trade policy has been a dividing force, used as a political tool to advance ideologies, rather than a shared sense of purpose that our trade agreements and programs could reflect the broader goals of the American worker.

The legislation before us today offers an opportunity to change that.

In the early months of this Congress, I joined with the Speaker and the House leadership to remind the Administration that the Constitution specifically designates Congress as the branch of government responsible for international commerce.

We agreed that we took that responsibility seriously and we would use our majority to improve American trade policy to better reflect the needs and concerns of our workers, not just our large, multi-national corporations.

The legislation before us today is the next step in developing a new trade policy that more adequately addresses the growing perception that trade is not working for American workers.

The Trade and Globalization Assistance Act of 2007 would expand training and benefits for workers while also helping to encourage investment in communities that have lost jobs to increased trade—particularly in our manufacturing sector.

The growing perception that prior American trade policy ignored the needs of workers here and abroad is a large contributing factor to the declining public support for trade.

For years we have had a program in place—trade adjustment assistance, or TAA—that was supposed to tackle some of the issues and problems workers face as it relates to trade.

Despite the best of intentions, this program did not meet expectations or promises and has failed to keep pace with globalization.

We are here to change that today with the Trade and Globalization Assistance Act of 2007.

The bill before us today is a comprehensive policy expanding opportunities for American

workers, industries, and communities to prepare for and overcome the challenges created by expanded trade.

First, the bill significantly expands existing TAA for Workers by: 1) covering service workers and additional manufacturing workers; 2) increasing TAA benefits; 3) making the TAA wage insurance program permanent; 4) improving the TAA health care benefit; and 5) increasing TAA program funding.

Second, the bill includes a package of tax incentives to encourage investment in distressed communities that have lost manufacturing jobs.

Third, recognizing that unemployment insurance (UI) is the gateway to TAA, the bill reforms the unemployment insurance system by creating incentives for States to cover part-time, low-wage, and other workers under State UI laws.

America's ability to compete and win in a global economy is too critical for our trade policy to continue being a partisan issue.

I noticed with great displeasure yesterday's veto threat from the Administration on this bill. To that statement, I would say that the bill before us today passed the Ways and Means Committee with Democratic and Republican support—and I expect it will receive the same from the full House.

The issues contained in this bill are central to the ongoing debate over the Administration's trade policy and if this Administration wishes to address the growing public concern over the direction of its trade policy, it will reconsider this veto threat.

Globalization is here to stay—and we must band together as Democrats and Republicans to shape its benefits for all Americans.

I look forward to today's discussion and I urge you to support H.R. 3920, the Trade and Globalization Assistance Act of 2007.

At this time I would like unanimous consent to yield the balance of my time to the gentleman from Michigan (Mr. LEVIN), the chairman of the Subcommittee on Trade, who has played such an important role in creating that climate and working with the staff and the members on the other side.

The SPEAKER pro tempore. Without objection, the gentleman from Michigan is recognized for the balance of the time.

There was no objection.

Mr. MCCRERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I return the compliment to the chairman of the Ways and Means Committee for helping to create an atmosphere on our committee which has allowed us to make great progress in the area of trade, as evidenced by today's 39–0 vote in favor of advancing the Peru Free Trade Agreement.

The chairman and I have talked many times this year about the need to have a more viable assistance program or network of programs at the Federal level as well as in the private sector to assist workers in our country who lose their jobs through no fault of their own, who lose their jobs because of trade or because of globalization more generally. The chairman has been very good at listening to our suggestions from the minority and considering those.

Unfortunately, for whatever reason, the bill that is before the House today does not reflect any of our suggestions or proposals that we have shared with the majority; and that's unfortunate, although I have been assured by the chairman that as this bill works its way through the rest of the process, our ideas may yet receive consideration and perhaps inclusion. So I remain hopeful of that.

But the bill that is before us today does not contain those and it contains, I think, a number of weaknesses which compel me to not support the bill that is before the House today but instead to support a substitute which I will offer later in the debate.

In talking about the majority bill that's on the floor today as a threshold matter, and the chairman knows this because I have talked with him about it, I think we should be considering trade adjustment assistance, unemployment insurance, modification of those programs in the context of trade opportunities generally for United States workers, farmers and businesses. That is to say, I think we should be considering modifications to our assistance network in the context of the pending free trade agreements that are before the Congress and the expired trade promotion authority. Unfortunately, we are not doing that. We are considering TAA in isolation.

The alternative that I offer today would reauthorize trade adjustment assistance for 5 years. To help workers gain the skills needed to adapt to the changing global economy, our bill would restructure TAA from a predominantly income support program that offers training into a job retraining program that improves access to more flexible training and continues to provide income support, health care, and other benefits.

The contrasts between the substitute I will offer and H.R. 3920, the bill on the floor, are quite stark. For example, H.R. 3920 would pointlessly keep people in trade adjustment assistance longer. Our substitute would provide more flexible training options to get people back to work sooner, including by training before layoff and training part-time and giving people training scholarships to use over 4 years.

H.R. 3920 would increase TAA spending by billions of dollars, but would not require any further accountability on how program funds are spent. Our bill introduces some elements of accountability in that spending.

H.R. 3920 would greatly expand TAA and, I think, exacerbate the inefficiencies in the program today. Our bill would better integrate TAA and other Federal programs to make more services available to all workers.

H.R. 3920 would extend benefits to public sector workers and submit State and local officials to subpoenas and legal proceedings to comply. Our bill would maintain the focus of the program on private sector workers.

H.R. 3920 would greatly expand the health coverage tax credit, but then terminate that credit in 2 years. I don't know exactly why the majority chose to terminate this health care tax credit in 2 years. They have, in way of explanation, said that they think the current way the tax credit is structured may not be the best way to do it so they may use these 2 years to come up with another plan. That may be; but the fact is that the bill terminates the health care tax credit in 2 years. They also increase the credit from 65 percent to 85 percent which I believe is not warranted. Our substitute would increase the credit from 65 percent to 70 percent, and would continue that credit for the entire 5-year life of the bill.

There are other differences. One that we think is notable is the new markets tax credit that we would expand. We think that is a more efficient way to address communities that have been directly impacted by trade. The tax credit bonds in the majority bill we think are untested. They could be subject to abuse and uses that are not really related to impacts of trade.

I also want to express my clear opposition to how the majority pays for the $10 billion cost of their bill. First, they would delay interest allocation rules that this Congress enacted in 2004. We did that to address an unfairness for American companies that do business overseas. The effect of delaying the application of that change that we made would be to make United States companies less competitive.

Second, they would unnecessarily, in our view, increase Federal unemployment payroll taxes by extending the 0.2 percent FUTA surtax that is due to expire at the end of this year for another 3 years.

I regret that this bill does not reflect what I hoped to be our bipartisan approach to trade adjustment assistance or to our trade agenda beyond the Peru FTA, and I reluctantly will oppose it and support the substitute.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The Chair would now recognize the 20 minutes allotted to the gentleman from California (Mr. GEORGE MILLER) and to the gentleman from California (Mr. MCKEON).

The Chair recognizes the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Thank you, Mr. Speaker. I yield myself 3 minutes.

Mr. Speaker, the typical income of American households has actually declined between 2002 and 2006 in inflation-adjusted terms. Last year, the number of Americans without health insurance actually increased by over 2 million.

For years now, Americans have had to deal with stagnating incomes and rising costs for basics like health care, food, energy and housing. For many reasons, Americans are deeply concerned about the future of their economy and their place in it. One cause of

their concern is the negative consequences they see from international trade.

Indeed, Americans find themselves increasingly caught in the crosshairs of the global economy. They have watched neighbors, friends and loved ones lose their jobs when plants close and move overseas. Americans have become even more skeptical about trade agreements, and for good reason. They have watched jobs move to China, and in return they get lead-poisoned toys.

Given these very real concerns, it is critical that we include in trade agreements strong and enforceable labor and environmental protections. And we must provide substantial assistance to workers who are negatively affected by this trade.

On the first part, I want to thank the committee for what they have done in terms of the trade agreements with these labor and environmental protections and I want to thank them for this legislation today.

This legislation we are considering addresses this very important point of what happens to those workers who have the negative consequences of international trade. This legislation helps ensure that displaced workers can help make ends meet while they find a new job, or in the case of older workers, until they reach retirement age.

The bill requires a layoff or plant closing notification if 50 or more employees, including part-time employees, at a single job site are laid off in a 30-day period. It eliminates a loophole that has allowed employers to avoid giving notices by shifting employees around job sites.

The bill increases notice to employees of a plant closing or mass layoff from 60 to 90 days, and that is very important.

And it also says that TAA-eligible employees can extend their COBRA coverage for as long as they remain TAA-eligible, up to 2½ years. And TAA-eligible employees who are 55 years or older and who have worked for an employer for more than 10 years can extend their COBRA coverage until they are eligible for Medicare at age 65, or covered by another health care plan. The coverage is available to workers today, but only up to 18 months. The bill extends that provision.

This is the most important provision for those workers who lose their income and lose their job, trying to hold their families together, and also see the loss of their health care. COBRA is of no cost to the government. The employee must pay the employer share, the employee share, and the 2 percent administrative cost. Over 40 million Americans have used COBRA coverage. But in any given year, only 2 to 3 million Americans are on the program, and close to 200,000 people are losing that coverage every month. This is an important benefit to these workers and certainly to people who have preexisting conditions and know they will not be able to go in and find insurance that they can afford or that is even available to them.

It is important that we make certain that these older workers are able to bridge the time until they reach Medicare eligibility so they will have continuity of health care.

This is good legislation. I hope my colleagues on the floor will support this legislation.

□ 1230

Mr. MCKEON. Mr. Speaker, I yield myself such time as I may consume in opposition to this bill.

The legislation before us is supposed to be about reforming the Trade Adjustment Assistance program. As flawed as the underlying TAA provisions are, their weaknesses are amplified by the inclusion of separate, largely unrelated legislation that moved through the Education and Labor Committee.

That bill, which has been folded into the larger TAA package, modifies the WARN Act and COBRA, two statutes that were not even designed to help workers impacted by globalization get the tools and training they needed to get back to work.

We've heard time and again that in order to effectively respond to competitive challenges we need to bolster our education and training systems to better prepare current and future workers for success.

Unfortunately, the provisions inserted into the broader TAA bill take a different approach. Instead of offering proactive solutions that will allow American workers to compete and thrive, these policies do nothing more than layer on additional Federal red tape for employers while offering only incremental provisions for workers that would do nothing to help them adjust to the changing workplace.

The proposal for a massive expansion of the WARN Act would be incredibly burdensome for employers struggling to keep pace with a changing economy. The limitations of this proposal do not match the real-world scenarios in which employers may be shifting their workforce to meet changing needs.

The bill mandates a full 90 days' notice before a plant closure or other mass layoff, requiring employers to remain stagnant for a full fiscal quarter before adjusting their workforce. This, despite the fact that in order to keep and create jobs here at home, employers need a workforce that is flexible and adaptable. Layered on top of that unworkable time frame is a requirement that double damages be paid by any employer unable to comply. This would create a system that is more focused on punishing employers than truly helping workers who lose their jobs.

Similarly, the selective expansion of COBRA availability seems to focus more on compliance and red tape than on offering genuine solutions to workers who need assistance and retraining as a result of globalization. It creates an unfair system in which not all workers who lose their jobs would have access to the same health care options. The bill uses TAA eligibility as a trigger for expanded COBRA coverage but extends the coverage almost indefinitely. This is inconsistent with existing COBRA eligibility and inconsistent with other TAA benefits.

The Education and Labor Committee convened a hearing in March to examine the impact of international trade on American workers. The challenges we considered during that hearing are the same challenges we appear to be attempting to address today. Yet during that hearing, not a single witness suggested or endorsed these bloated, bureaucratic WARN Act and COBRA proposals.

We all know that American companies must be flexible and dynamic in order to keep pace with their competition overseas. These proposals would put American companies at a distinct disadvantage, preventing them from maintaining an agile workforce and undermining efforts to preserve American jobs or create new ones because of the burden and cost of compliance with these new mandates.

If we're serious about assisting dislocated workers and keeping America competitive, the Education and Labor Committee has a crucial role to play. We should be renewing our one-stop job training system authorized under the Workforce Investment Act. Unfortunately, Democrats have stalled our efforts to strengthen and improve job training, failing to even introduce a bill to extend and enhance WIA.

Republicans are committed to keeping America competitive in the global economy. Later today, I will join with Representative MCCRERY, the senior Republican on the Ways and Means Committee, to offer a comprehensive approach to assist Americans adversely affected by trade.

The increased employer burdens proposed through an expansion of the WARN Act and COBRA are nothing more than a distraction from the real debate we ought to be having. I oppose these costly, arduous provisions because they move in exactly the wrong direction. Instead of fostering competitiveness and job creation, they will breed litigation and stagnation.

Mr. Speaker, I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, if the President is going to negotiate trade agreements based on the failed NAFTA model, this legislation is the very least that we can do for our workers who lose their jobs because of international trade and globalization.

Mr. Speaker, America faces record high trade deficits and plant closings, and it's our laid-off workers who are the casualties. Strengthening trade adjustment assistance, TAA, isn't the

magic pill. It is not the cure-all. It can only be a help by fixing the flawed trade policy. We will do what our workers need, but we owe displaced workers in the meantime, and we owe their communities around the country the chance they need to regain their economic footing with job training, with health care, and they need to know that it's available to them and how to take advantage of these programs.

Mr. Speaker, while the bill will not prevent millions of workers from losing their jobs, it will give them the tools they need and the tools they deserve until they are once again able to compete in the global workforce.

Mr. MCKEON. Mr. Speaker, I yield now to the Subcommittee on Health, Employment, Labor and Pensions ranking member, with jurisdiction over COBRA, the gentleman from Minnesota (Mr. KLINE) for such time as he may consume.

Mr. KLINE of Minnesota. Mr. Speaker, I thank the gentleman for yielding.

I rise in opposition to this legislation, Mr. Speaker. I have been and continue to be a major proponent of trade, but this Trade Adjustment Assistance program that we have today has, seems to me, gone astray. There are a number of reasons why I would urge my colleagues to oppose this bill, from the massive expansion of what was intended to be a targeted Trade Adjustment Assistance program to the dramatic increase in litigation and liability employers will face under the WARN Act provisions contained in this bill.

The gentleman from California mentioned COBRA eligibility in his remarks. I'd like to talk about that for just a minute.

Under the law as it stands today, when a worker loses his or her job, he or she is generally able to elect to continue health care coverage under COBRA for 18, or sometimes as long as 36, months. This balances the legitimate need of the workers to obtain gap or bridge health insurance coverage, while recognizing the administrative needs of employers and, in particular, the need for employers who voluntarily offer health benefits to manage costs and risk.

The bill before us dramatically expands COBRA benefits for certain classes of workers potentially at the expense of others. Under the Rangel substitute, a worker who loses his or her job ''because of trade'' is afforded significantly more COBRA rights than an employee who simply loses his or her job because, for example, his employer closes shop. Indeed, for some of these workers, expansion of COBRA rights can last for decades, plainly not what was intended under the original law.

The bill also includes provisions extending COBRA benefits for PBGC beneficiaries without any regard to the issue of trade. Individuals pay for COBRA, but because of the nature of how this was put together, the provisions are paid for through an increase in the taxpayer-funded health care tax credit, at least through the period of TAA eligibility, again, extending and complicating it in a way that was never intended in the original law.

Just a couple of more things that come under the WARN provision of this. This bill expands the WARN Act coverage to apply to businesses which employ 100 or more employees, including part-time workers. It expands the definitions of plant closures and mass layoffs. It increases the notice requirements so that employers must provide 90 days' notice of an intended plant closure or mass layoff. It expands damages for lost wages and benefits to include double wages, benefits and interest for up to 90 calendar days. It includes new requirements that employers post notice of WARN Act requirements and information on how to file a complaint and provide notice of benefits and services available to employees. It expands enforcement to allow the Secretary of Labor to investigate alleged violations.

Some of these are probably very worthwhile, but clearly, a tremendous expansion and opportunity for almost unlimited litigation, placing a very large burden on employers, and I don't think we want to do that at a time when we're trying to preserve jobs for our employees.

So I oppose this legislation. It reaches too far. It is too complicated. It opens up employers to too much litigation. We can do better than this.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield for the purpose of a unanimous consent request to the gentlewoman from New York (Mrs. MALONEY).

(Mrs. MALONEY of New York asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentleman for yielding and I rise in support of this important legislation.

Mr. Speaker, I rise in support of H.R. 3920, the Trade Globalization Assistance Trade Act of 2007.

This legislation would overhaul the current Trade Adjustment Assistance, TAA, program to better meet the needs of American workers and communities affected by globalization.

This legislation passed the Ways and Means Committee by the strong bipartisan vote of 26–14 and I hope that we are able to provide a similar bipartisan vote again here today.

After years of trade policies that all too often diminished the importance of our workforce, today's legislation will rightfully support the working men and women in our country.

Specifically, H.R. 3920 would expand Trade Adjustment Assistance coverage to more workers, including service workers, and substantially improve the program's training opportunities and associated health care benefits.

The bill also creates new benefits and tax incentives for industries and communities that have been hit hard by trade.

Finally, the legislation would promote long-needed reforms to the unemployment insurance system, recognizing that all unemployed workers, not just those who lose their jobs because of trade, deserve our support in getting back on their feet.

I congratulate Chairman RANGEL for bringing forth this important legislation and I urge all of my colleagues to support this important legislation.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, I thank my friend for yielding.

So, Mr. Speaker, you're 6 months away from your 58th birthday, and the place where you have worked for 25 years closes and you have no health insurance. So you dip into your savings and you figure out a way to keep yourself in the plan that you were in by paying for it largely with your own money.

Under present law, when you hit your 59th birthday, if you don't have another job with health insurance, you're out, and you have got 6 years to go until you qualify for Medicare. We are changing that in this bill.

Here's what this bill says. That person I just described, if they can figure out a way to stretch their savings and stretch their dollars until they're 65 years old, can enroll in Medicare and never have a gap where their family is left unprotected, with their own money by and large.

Now, the credits that are generously extended here, we wish we could do more, but this is a program that makes common sense for the person who is too young to retire and too old to start all over again. It's the person who's working with a good job and health care and good benefits, who's now working part-time at a retail store because that's the best he or she can do. What is wrong with that?

This is an opportunity for the Members of this Congress to stand up for forgotten Americans who built this country, raised their families and paid their taxes. This should not be a Republican and Democratic issue.

I urge everyone to vote ''yes'' on this very well-thought-out bill.

Mr. MCKEON. May I inquire of the Speaker what time is left.

The SPEAKER pro tempore. The gentleman from California (Mr. MCKEON) has 2 minutes remaining, and the gentleman from California (Mr. GEORGE MILLER) has 3½ minutes remaining.

Mr. MCKEON. Do you have more speakers?

Mr. GEORGE MILLER of California. Yes.

Mr. MCKEON. Mr. Speaker, I reserve.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. HARE), a member of the committee.

Mr. HARE. Mr. Speaker, I rise today in strong support of H.R. 3920.

In 2004, Maytag Refrigeration Products in Galesburg, Illinois, closed its

doors and bolted for Sonora, Mexico, displacing 1,600 workers, all innocent victims of a bad trade policy. I asked my good friend Dave Bevard, a former Maytag employee, to testify before the House Education and Labor Committee about his participation in the TAA program. Dave's testimony revealed a program that was difficult to navigate and plugged with funding shortfalls.

Mr. Speaker, the bill before us today addresses these funding problems and gives trade-impacted workers the resources and tools necessary to successfully compete in the global economy. It provides workers with sufficient notice of mass layoffs, improves the processes by which workers obtain training, and strengthens access to affordable health care.

I'm pleased to see the inclusion of two of my provisions in the bill: one that would require the Department of Labor to inform workers about the availability of counseling and early access to training services, and another to help displaced workers get additional financing aid for training. I'd like to thank Ways and Means Chairman RANGEL and Congressman LEVIN, and my chairman, Mr. MILLER, for their leadership on this issue and for the help their staff provided to include these provisions that will greatly assist dislocated workers.

Mr. Speaker, the current TAA program has not kept pace with globalization, and the bill before us aims to bring the TAA program into the 21st century. I urge my colleagues to vote ''yes'' on this critical legislation.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio (Ms. KAPTUR).

□ 1245

Ms. KAPTUR. I thank the gentleman, and thank the esteemed chairman, for bringing this bill forward.

Mr. Speaker, the real answer to growing job loss in the United States, the declining value of our dollar and to rising trade deficits is to balance America's trade accounts by renegotiating failed deals like NAFTA and China PNTR, by not passing any more of them, by opening closed markets like Japan's and China's, and Korea's and by stopping unfair trade practices globally.

Meanwhile, our workers continue to take the big hits by losing their jobs and benefits. What this bill does is it gives them increased notice when their plants are going to close, and it also provides a landing pad in the form of training and trade adjustment assistance. I just wish that the jobs they are being trained for would be produced. We know that often is not the case.

This is the absolute least we can do for the people of our country. They have paid the price of our failure here in Washington to produce economic policies that make America's economy robust.

I fear, without our doing that, we are going to lose the industrial and defense prowess that made the United States the leader post-World War II. I just thank the committee for providing this bill which will help the casualties reposition a bit.

The real answer to growing U.S. job loss, the declining value of the dollar, and rising budget and trade deficits is to balance America's trade accounts by renegotiating failed deals like NAFTA and China PNTR and not pass more of them, by opening closed markets like Japan's, China's, and Korea's, and stopping unfair trade practices globally.

Meanwhile, our workers continue to take the big hits—they lose their jobs, they lose their benefits.

This bill gives them some help—by giving them increased notice before their plants are closed, and it revamps trade assistance and training to help them reposition if the jobs exist in the future.

We owe it to our workers and communities to give them a better chance to adjust. They are the casualties of economic policy here in Washington that is not working. This legislation will require employers to provide 90 days of notice in the event of a proposed plant closing or layoff.

Trigger the notification requirements if at least 25 workers lose their jobs during any 30-day period, not 50 workers as in current legislation;

Mandate notice if 100 or more workers are laid off at multiple plants or worksites during any 30-day period;

Cover both full-time and part-time hourly and salaried workers;

Require the Department of Labor to provide model educational information to employers on employer responsibilities and employee rights under WARN, as well as benefits and services available to dislocated workers;

Authorize the Department of Labor to investigate complaints and bring enforcement suits and also to notify Members of Congress who represent the affected areas;

Permit employees to recover back pay and benefits up to 90 days and also liquidated damages (doubling the compensation otherwise available) if an employer fails to give the required notice under the act; and,

Important to note is the legislation's extension of the period for COBRA (comprehensive benefits, including health care) coverage for recipients of trade adjustment assistance. Under current COBRA rules, workers who lose their jobs generally may continue their health benefits for up to 18 months at their own expense. The new legislation would give workers who are 55 years or older and have worked for an employer for 10 or more years the option to elect COBRA coverage until they become Medicare eligible at 65 or until they obtain health coverage through a subsequent employer.

While I support this bill, we must keep in mind that TAA and WARN aren't substitutes for jobs in manufacturing America. An America that does not produce not only loses the most vibrant wealth-producing sector of her economy but her defense and industrial base as well.

TAA and WARN should be used sparingly and for the short term—they are band-aids, not solutions. We need to pass legislation requiring the executive branch to balance our trade accounts, to renegotiate NAFTA/PNTR, and to open closed markets of the world.

It is no secret that we are voting on TAA today, to increase votes for the Peru Free Trade Agreement next week. Our willingness to sell out our Nation's workforce for the consolation prize of trade adjustment assistance promises to damage our country for decades to come.

I have two bills—H. Res. 336 and H.R. 169, the Balancing Trade Act, which will get our country back on the right track. By supporting H. Res. 336, we support fair, people-centered principles that promote free trade only among free peoples. The Balancing Trade Act, which already enjoys bipartisan support, demands that the President acknowledge a problem in our trade policy when our deficit with any one country exceeds $10 billion for more than 3 years. I also have a bill (H.R. 1958) to revoke PNTR from China, and I will be introducing a bill to require the President to renegotiate NAFTA. These bills are steps towards correcting our U.S. trade policy to prevent the kinds of layoffs and job loss that these bills merely ice over.

[From the Toledo Blade, July 16, 2007]

TIFFIN WORKERS DISCOVER LIMITS OF WARN ACT

(By Steve Eder and James Drew)

TIFFIN.—Four days after Christmas in 2001, Gene Goshe braved the brisk cold as he walked to his newspaper box and unrolled his copy of the Tiffin Advertiser-Tribune.

''National shutting down,'' blared the headline in tall letters across the front page.

In seconds, Mr. Goshe's life changed forever.

After devoting 33 years of his life to the National Machinery Co., Mr. Goshe read in the newspaper that morning that the plant had abruptly closed. He didn't get a phone call to let him know he no longer had a job.

''It was like a snowball hit you in the hind end on the first of January,'' recalled Mr. Goshe, then 58. ''This is the way we are going to start the year.''

The sudden demise of National Machinery stunned Tiffin, a town of 17,000 about 55 miles southeast of Toledo already reeling from plant closings and layoffs.

The plant, a few blocks from the small downtown, made the machines that made nuts and bolts since the 1880s. But while the products of its machines embodied the ordinary, the storied history of National Machinery was far from typical.

''The National''—as locals affectionately called it—provided a choice working environment for generations in and around Seneca County, a flat, fertile part of northwest Ohio dotted with fields and woodlots.

The company's reputation as an exceptional employer was rooted in its traditions—a club for employees who had worked there at least 25 years, summer picnics at Cedar Point, and Christmas parties at the fancy Ritz Theatre.

National Machinery was like family, workers recalled. Not surprisingly, it was begun by Tiffin's first families—the Frosts and Kalnows, whose ownership dates to the 1880s, when patriarch Meshech Frost convinced the company's original owner to move its operations to Tiffin.

The Frosts, and later the Kalnows, are recognized as Tiffin's leading community boosters, using some of their vast fortune to support local causes and institutions, including the city's Heidelberg College, where the families set up scholarship programs to benefit the children of National Machinery employees.

A FRACTURED BOND

The bond between the privately held company and its workers changed forever on Dec. 28, 2001—the date National shut down.

For most of the 549 National Machinery Co. employees, there was no notice the place where many of them had dedicated their working lives was closing.

Paul Aley, National Machinery's president, explained to workers in a letter dated the day the plant closed that banks cut off the company's money because of its financial troubles. Most employees didn't receive Mr. Aley's letter until they had already read about National's demise in the newspaper or heard about it from friends or co-workers.

In 1988, Congress passed a law requiring business owners to give 60-days notice before a plant closing or mass layoff. If National Machinery Co. had followed the Worker Adjustment and Retraining Notification Act, known as the WARN Act, its employees could have begun looking for new work and putting their finances in order instead of dealing with the shock of suddenly losing their jobs.

There were concerns about the well-being of National Machinery Co. leading up to its closure. Citing financial problems, the company announced some layoffs earlier in 2001 and gave most of its workers the holidays off without pay. But the veteran workers expected business would pick back up as it had many times over the years.

This time wasn't like the others.

HOPING FOR BETTER TIMES

In the weeks and months after National Machinery's shutdown, employees looked to their faith for strength.

Twice a week, employees such as Mr. Goshe, a Vietnam veteran and father of four, would gather outside the plant at noon and form a prayer circle with 50 to 75 people. In the cold January and February air, they would pray for each other and for the future of National Machinery Co.

''Everybody would go around and if anybody had something to say, they'd say it, or they would say a prayer,'' Mr. Goshe said. ''If anybody had anything they wanted to get off their chest, they could get it off their chest.''

The workers took pride in their roles in National Machinery's history and held out hope for a return to better times.

''National Machinery had the knowledge in town that they were the best employer in Seneca County,'' said Mark Griffin, a 38-year employee. ''We had some other big employers in Seneca County, but that was the best place to work.

''They took care of their people, they had a fair wage, you worked your overtime, had a great retirement, and they took care of you,'' Mr. Griffin said.

From its Quarter Century Club, which honored employees of 25 years, to its picnics, baseball leagues, and community service, National Machinery was steeped in tradition.

Its owners, the Frosts and Kalnows, who for decades referred to their employees as ''Our people,'' instilled an unapologetic sense of family in and outside the plant.

They provided quality employment, fair wages, and steady jobs, and in return they expected their workers to live up to National Machinery standards to protect the image of the company. Employees in the 1970s and '80s were expected to be clean-cut and trouble-free. They were forbidden from cashing their checks at local watering holes.

Mr. Griffin said National Machinery employees had enough pride in their work to cash their checks at a bank, not at a bar.

In return, Mr. Griffin said, ''If you got into trouble or were a little short, they would always bring the money up ahead of you. They would pick you up and you could pay 'em back later. It was like a family thing.''

A TIFFIN INSTITUTION

National Machinery began four generations of ownership by the Frost and then Kalnow families soon after Meshech Frost convinced Bill Anderson to move the company to Tiffin in 1882.

In Tiffin, there is much folklore about National Machinery and its family ownership.

One tale is that Mr. Frost went to New York City to get a loan from financier ''Diamond'' Jim Brady to help purchase the company.

After his death in 1922, Mr. Frost left the company to his son, Earl Frost, who ran it into the 1950s. Earl Frost's daughter, Jane Frost, who was the heiress to the family fortune, married Carl Kalnow, a banker, and together they owned National Machinery Co.

National Machinery employees still fondly recall the story behind the Frost-Kalnow engagement.

''From what I know, Mr. Kalnow came to town and he got off the train and asked who the richest man in town was and if he had a daughter,'' Mr. Griffin said. ''It was Miss Frost and he ended up marrying her.''

The Kalnows had four children—Carl, Andrew, Gertrude, and Loretta—who inherited National Machinery after their mother's death in 1986.

In 1998, the Kalnow siblings—who were raised in Tiffin but had moved away—sold the company for $98 million to Citicorp Venture Capital, a New York-based firm that buys and sells companies as investments.

Within three years, National Machinery rapidly declined from a thriving company to an abruptly shuttered one.

A DIFFERENT COMPANY

After National Machinery closed, the Kalnow siblings—who had kept a seat on the company's board of directors and a 15 percent stake in the business as part of the sale—became the workers' best hope for rescuing the company.

In the weeks after the company closed its doors, the Kalnows, led by Andrew Kalnow, founder of Chicago-based Alpha Capital Partners, a private equity investment firm, began negotiating to buy National Machinery's debt from a consortium of banks holding tens of millions of dollars in notes—the debt taken on to buy the company from him and his family.

In February, 2002, the Kalnows repurchased National Machinery for $16 million, just a fraction of what they had sold it for just three years earlier.

In Tiffin, many employees believed their prayers were answered.

But they soon learned that National Machinery, under its new ownership, would be a far different company than the one they had devoted 20, 30, or even 40 years of their lives.

In a complex business transaction, the Kalnows established National Machinery LLC, or limited liability company, which they used to essentially purchase the property and assets of the former National Machinery Co.

The sale was completed in such a way that the new company would inherit the old company's headquarters in Tiffin, its factory, its machinery, and its customers. But it would have no responsibility to pay the debts of the old company. Those debts included millions of dollars owed to suppliers and $1.5 million more owed to area doctors and health-care facilities for medical services provided to former employees before the plant closed.

Officials of the new company eventually agreed to pay an undisclosed amount toward the $1.5 million in medical bills owed by former plant workers. But the new company said it had no legal obligation to the employees of the ''old company,'' who were left behind when the plant closed in December, 2001.

A spokesman for National Machinery LLC last week said WARN Act issues were handled by the former plant owner and their lawyers.

''Like many other companies today facing the challenge of being successful in a highly competitive world market, National Machinery LLC is leaner and less vertically integrated,'' said John Bolte, senior vice president of operations and human resources. ''Many processes and therefore jobs from the past simply do not exist in our company in order to make us more competitive.''

Attempts by The Blade to interview Andrew Kalnow and his siblings were unsuccessful.

In an e-mail from Mr. Kalnow last month, he told The Blade: ''It seems like you have a politics agenda in mind that has nothing to do with our business and contribution to the community.''

A SENSE OF BETRAYAL

The Kalnows' ''new company''—National Machinery LLC—in the spring of 2002 hired nearly 240 full-time employees after it reopened the plant, many of whom worked for the ''old company.''

But many of National Machinery Co.'s 549 employees, including some of its longest-tenured workers, such as Joe Poignon, never received the call to come back.

''They started it back up, but they excluded us,'' said Mr. Poignon, a 40-year employee who worked in the company's aftermarket section. ''There was people who weren't retired out there who had more than 25 years of service and they were not called back.''

Some grew bitter, angry, and depressed as they waited and waited for the call from National Machinery that never came.

''It's the way they treated us,'' said Mr. Poignon, who tries to avoid Greenfield Street in Tiffin, where National Machinery is located. ''Not calling us in to inform us of anything, and not being up front and square with us, and being ostracized after they reopened the plant. None of us deserve that. After we have given our lives to it, our good working years are gone. We can't go out and restart. We gave them all our good working years.''

He added, ''You feel like you've been betrayed.''

DEPRESSION AND ANGER

Several former National Machinery employees fell into depression as they tried to live without the work they had been doing for most of their lives.

Others were angry.

Paul Martorana, a 27-year employee of National Machinery, returned to the company's offices to settle his pension after the new company had taken over. But before he left, he had a request of Anne Martin, the company's secretary.

''Would you do me one favor?'' Mr. Martorana recalled asking. ''Take my picture off the wall. I don't want anyone to know I was ever associated with this company.''

Mr. Martorana wanted his picture taken off the walls of National Machinery Co.'s Quarter Century Club. The club, which had more than 735 members since it was established in 1936, honored the company's most loyal employees.

Many members of that devoted club were among those who were unexpectedly thrown from their jobs, instantly losing health-care coverage, paychecks, accrued vacation time, and the stability of employment.

''A lot of people got hurt, financially and mentally,'' Mr. Martorana said.

''We didn't know what to do,'' Mr. Poignon said. ''There were people who were scheduled for surgery. They didn't know what to do. They didn't have insurance. Some of them had cancer.''

PICKING UP THE PIECES

It was difficult, if not impossible, for some former employees to find reliable work after decades with National Machinery. The employees had no time to plan, find new jobs, or train for new careers.

Out of necessity, some took whatever they could find, accepting steep pay cuts and losing benefits.

''It's basically turned our lives upside down,'' said Sharon Goshe, who has been married to Gene Goshe for 34 years.

Mr. Goshe said he held out hope for about three months after the plant closed, hoping that he would get a call to return to work. The call never came.

''Once they opened back up and [I'd] seen the ones they were hiring back, I was too old,'' Mr. Goshe said.

He began applying for nearly ''any job that was in the paper,'' but he didn't have any success and began to suffer from depression.

''The unemployment was running out, and we got the same old stories,'' he said. ''You go out and you look for a job and you get your hopes up, and you hear nothing.''

Ten months after National closed, Mr. Goshe took a job for $10 an hour with no benefits at a local lumber yard, a $4 an hour wage cut.

Many employees of National Machinery skipped their paid vacations over the years, believing they had accrued months of paid time off that could be used in the future. When the old company shuttered, employees were not reimbursed for the time.

The workers said they were also owed thousands of dollars in lost wages and unpaid medical bills. But when they went to the plant office and tried to collect from National Machinery LLC, they heard a familiar refrain: ''Sue the old company.''

But the ''old company'' no longer existed.

TAKING LEGAL ACTION

On Sept. 11, 2002, three former workers of National Machinery Co.—Chad and Donald Baker and Paul Martorana—filed a class-action lawsuit in federal court in Toledo on behalf of all the workers who lost their jobs.

They sued National Machinery Co., Citicorp Venture Capital, and two related entities claiming the WARN Act was violated when the plant closed without a 60-day notice. They asked for lost wages, vacation pay, and medical expenses they said they were owed, totaling at least $4,000 per worker.

They received a quick education into the limitations and loopholes of the federal law.

But the biggest obstacle they faced was the wall of legal agreements, contracts, and documents set up by a squad of lawyers to make sure that National Machinery LLC was not responsible for the debts and actions of National Machinery Co.

Attorneys for Citicorp Venture Capital argued that their client wasn't the liable employer under the law because even though Citicorp was the majority owner of the ''old company,'' it didn't make business decisions on behalf of National Machinery.

Because the ''old company'' was now a mere shell, its former employees fell into one of the most prominent pitfalls of the WARN Act—finding someone who could pay the workers what they were owed.

Nearly three years after the company closed, attorneys for the employees and Citicorp Venture Capital agreed to a settlement that would pay $375 per worker before taxes—just pennies on the dollar of what most employees felt they were owed. National Machinery LLC, as a completely new entity, had no obligation to the workers and was not involved in the settlement.

AN ''INSULT''

Calling the settlement an ''insult'' and frustrated with the law, 74 former National Machinery employees wrote the judge to object to the settlement.

''There were a lot of very good employees that were completely devastated when all this happened and some satisfaction needs to be given to all of us,'' Virginia Coffman wrote. Mrs. Coffman, along with her husband, John Coffman, worked for National Machinery Co. for more than 28 years. ''This type of treatment cannot be allowed to go unnoticed and just slide by, it has hurt many responsible people who are still trying to recover.''

In a handwritten note, Steven Webster, a former National Machinery employee from Upper Sandusky, Ohio, explained that the company's sudden closing triggered a financial tailspin that caused him to fall behind on child-support payments. Mr. Webster explained that he needed to withdraw from his 401K plan twice to keep banks from foreclosing on his home.

''For the six months I was without a job. I had my water, electric, and gas shut off and had to live with my mother for a while until I got a job because I couldn't afford food or anything,'' Mr. Webster wrote.

Many of the workers sent copies of their letters to their representatives in Congress and the Statehouse, including U.S. Rep. Paul Gillmor (R., Tiffin), U.S. Sens. George Voinovich and Mike DeWine, then-Gov. Bob Taft, and state Rep. Jeff Wagner (R., Sycamore).

None of them was willing to fight for their constituents, at least on the WARN Act.

On Nov. 15, 2004. a group of former National Machinery Co. employees went to federal court in Toledo to object in person to the proposed settlement.

On their day in court, U.S. District Judge James Carr empathized with the plight of the workers, inviting them to sit in the jury box and address the court. But the judge all but told the workers that his judicial powers were limited by a law with no teeth.

In the end, Judge Carr reluctantly approved the settlement, declaring it a ''pittance'' and telling angry workers it was the best settlement they could hope for under the weak federal law.

''Most simply put, and most unhappily, you're out of luck,'' Judge Carr told the workers. ''That statute has proven to be no protection to you.''

LINGERING BITTERNESS

In Tiffin, more than five years after the ''old company'' suddenly was closed on a cold December day, time has healed some of the wounds. But there still remains an undercurrent of regret and bitterness.

Today there's a sign outside the headquarters of National Machinery LLC that proudly proclaims it as a 130-year-old company.

The former employees never called back by the ''new company'' say the sign epitomizes the hypocrisy of what transpired at National Machinery.

''What I've heard is they think they've done great—'they've saved the company,''' Mr. Poignon said. ''You don't want to think that the place you've worked your entire life has done something terrible. They didn't fulfill their promises to a lot of people who gave their whole lives to the company.''

The laid-off workers have struggled to come to terms with the fact that National Machinery LLC—which conducts its business from the old headquarters of National Machinery Co. in Tiffin, builds the same machines, and serves the same set of clients—wasn't legally required to pay their lost wages and benefits.

Some recognize that Andrew Kalnow may have saved National Machinery, but they question why the rescue couldn't have been performed more humanely, taking into account the loyalty of many of the company's longtime employees.

They believe Meshech Frost and Jane Frost Kalnow would be disappointed.

''It's all about putting money in your pocket,'' Mr. Poignon said. ''Maybe morality has changed. Maybe young people think this is OK. But in our day, this wasn't a moral thing to do. If you look at the business side of it, it looks pretty good.

''But if you look at the human side of it, there's been a lot of damage.''

[From the Toledo Blade, Oct. 11, 2007]

HOUSE CHAIRMAN OFFERS A TOUGHER WARN ACT

(By Steve Eder)

The powerful chairman of the House Education and Labor Committee yesterday submitted his proposal to better assure workers are given notice before they lose their jobs in mass layoffs or business shutdowns.

U.S. Rep. George Miller (D., Calif.) became the second member of the U.S. House to introduce legislation to reform the Worker Adjustment and Retraining Notification Act, known as the WARN Act, a 19-year-old federal law that requires many employers to provide 60 days' notice before layoffs.

Mr. Miller's bill was co-sponsored by U.S. Rep. Marcy Kaptur (D., Toledo).

''These are really extraordinary improvements over existing legislation,'' Miss Kaptur said during an interview yesterday. ''There are more teeth in this [bill] to treat the workers with more respect.''

After a Blade investigation in July highlighted the WARN Act and its shortcomings, a host of key politicians in Washington have addressed the need to reform the law. Among those who have responded are Democratic U.S. Sens. Sherrod Brown of Ohio, Hillary Clinton of New York, Edward Kennedy of Massachusetts, John Kerry of Massachusetts, Barack Obama of Illinois, former Sen. John Edwards of North Carolina, and U.S. Rep. John McHugh, a Republican from New York.

The Blade's four-part investigation showed that the WARN Act is so full of loopholes and flaws that employers repeatedly skirt it with little or no penalty.

The series showed that in crafting the WARN Act, Congress didn't charge the Department of Labor with enforcing the law. Instead, displaced workers must take their former employers to court to uphold their rights under the law.

An analysis of 226 WARN Act lawsuits filed by employees showed that judges threw out more than half, citing loopholes in the law.

''Everyone on the [House Education and Labor] committee is familiar with the Blade's excellent work on this.'' Miss Kaptur said yesterday. ''The Blade has really done the country a favor in helping to highlight the importance of this legislation and to draw national attention to it.''

Mr. Miller's bill—called The Early Warning and Health Care for Workers Affected by Globalization Act—would overhaul the existing WARN Act by increasing the notice period from 60 to 90 days, making the law apply to more employers, increasing financial penalties for violators, and empowering the Department of Labor to bring lawsuits on behalf of employees.

In addition, it covers part-time employees and groups of 100 or more workers laid off by one employer at multiple job sites.

The legislation also extends COBRA health coverage for recipients of trade adjustment assistance, allowing workers who are 55 or older or employees with more than 10 years of service to an employer to use COBRA coverage until they are eligible for Medicare.

Miss Kaptur said Mr. Miller's new proposal has support from the ''highest levels'' of

Congress, including House Speaker Nancy Pelosi (D., Calif.).

''There is a significant amount of momentum that has built for this measure,'' Miss Kaptur said.

Ms. Pelosi, in a statement yesterday, said: ''For too long, the Bush Administration has ignored the needs of workers who are left unemployed through no fault of their own. Chairman Miller and Congresswoman Kaptur have been relentless champions for the cause of working men and women, and the new legislation incorporates those concerns.''

Alex Conant, a White House spokesman, had no immediate comment last night on Mr. Miller's WARN Act proposal, but defended the President's record on helping workers.

''The President has aggressively fought for and delivered tax relief for all taxpayers resulting in economic growth and job creation,'' he said. ''The best thing Congress can do to help workers and those seeking work is to keep taxes low to grow our economy and create new jobs.''

Mr. Miller's bill shares some characteristics with a bill introduced in the U.S. Senate by Mr. Brown and a bill in the U.S. House by Mr. McHugh.

Mr. Brown's bill is co-sponsored by Ms. Clinton and Mr. Obama, who are vying for the Democratic nomination for president.

The proposals introduced by Mr. Brown and Mr. Hugh, both called the FOREWARN Act, would lengthen the notification period required before a plant closing or mass layoff, increase penalties for violators, require more companies to provide notice before layoffs, and allow the Department of Labor and state attorneys general to represent workers in lawsuits.

Julie Hurwitz, the former executive director of the Sugar Law Center, a Detroit-based nonprofit legal center which advocates for workers in WARN Act cases, said she is ''heartened'' by the congressional efforts to reform the law.

''These are all sorely needed revisions that have to be made, particularly given the history of those loopholes that have existed in the original statute giving employers all kinds of wiggle room to essentially set their own agendas and still not be held accountable under the original version of the WARN Act,'' Ms. Hurwitz said.

Still, Ms. Hurwitz wants lawmakers to go a step further and address increasingly common tactics used by employers to evade their WARN Act duties.

''I would love to see somebody grapple with the use of releases or waivers that are now quite frequently used by employers to get out from any WARN Act liability or responsibility,'' Ms. Hurwitz said.

Mr. MCKEON. Mr. Speaker, we know that there have been job losses due to trade, there have been job losses due to technology improvements. There are other different reasons why jobs are lost, and we all feel the pain of those who have lost their jobs.

Having said that, the answer is not increased bureaucracy and increased problems that employers have to deal with in providing jobs and in coming up with new technology to create new jobs. The answer would be to streamline, to cut back the bureaucracy, yes, to give temporary help to workers that have been displaced, to give them the opportunity to get additional job training so that they can prepare for other occupations, and then to try to spread that pain across the country instead of just having it targeted on those specific plans.

We will offer later an amendment to this bill, a substitute, that will do just that. In the meantime, I encourage all of my colleagues to vote against additional bureaucracy and to vote against expanded government intrusion into the marketplace that causes these disruptions.

Mr. Speaker, I yield back the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman has 1 minute left.

Mr. GEORGE MILLER of California. I would urge my colleagues to support this legislation.

We could leave this to the marketplace, and you could throw your workers out on the street with no notice, no health care, no training, and that's it, and just tell them, welcome to the globalized world.

We thought we would try a different tack. We thought we would give workers notice where it is practical for employers to do so so the worker would have time to deal with the implications of a lost job on their family, to try to save their home, to try to save their kids' education, try to save the automobile, figure out how to get another job or how to get to retirement.

We also know that many workers that are released don't have health care coverage or can't get it in the marketplace. So we extended COBRA. We made that decision many years ago. Forty million people have used that to get them to another health care plan or to hold on to their coverage as long as they possibly could. We said for older workers, you can take it to Medicare. If you are over 55 years old and you have worked there 10 years, you can use COBRA. You pay all the premiums, you pay the administrative cost, but at least you have coverage. For some people, that's absolutely vital, because once they lose coverage, they can't get it again because they can't afford it or because they have preexisting conditions and they won't write that policy for those individuals.

This is just about whether or not we are going to treat Americans with some sense of decency who work all year long, provide for their families, work hard, play by the rules or whether they are just going to have to crash to the street and lose their income, their houses, their cars, their kids' education. That's the choice we get today.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. That portion of time has expired.

The gentleman from Louisiana has 13 minutes left, and the gentleman from Michigan has 16 minutes left.

GENERAL LEAVE

Mr. LEVIN. First, Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3920.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LEVIN. Mr. Speaker, I yield myself 4 minutes.

I would like today to talk about the facts, and next week we will talk about the facts on trade legislation. I think the approval of the U.S.-Peru FTA that came out unanimously from Ways and Means is the antithesis of CAFTA. Let me talk about the facts on TAA, which relates to those who are dislocated.

We received a letter dated October 23, 2007, from the Secretary of Labor, and she said it is important, and I quote, ''that the negative impacts that are borne by a few are offset in the form of assistance to persons and firms that may be adversely affected.''

I just want to say the facts are very different. It isn't a few. Trade isn't the only source of dislocation, but it is one of those and a substantial source. It's not a few. It's hundreds of thousands of people. We have lost 3 million manufacturing jobs in this country in recent years.

The President, or at least the administration, has sent a letter indicating their strong opposition, and I want to go over the facts quickly. It says, and I quote, that this legislation converts TAA from a trade-related program to a universal income support and training program. That is simply not true, and I will come back to that when I talk about services.

Number two, it says the increased duration of income support under this bill would result in some workers remaining out of the workforce and on assistance for 3 full years. That's really not accurate because the first 26 weeks are usually taken up by unemployment compensation when people are not using TAA directly. And then there are 2 years. In order to receive income support, they have to be in a training program. Now, there is a provision for an additional 6 months, but it applies to a relatively few people. So these facts don't support the strong opposition of the administration.

I am still hoping for bipartisan support. We did accept, voted for three amendments from the minority side in the Ways and Means Committee. We had three votes from the minority side, and I hope for very, very many more here on the House floor.

Next, the administration statement talks about industry-wide eligibility determinations and says that it would include workers not demonstrably affected by trade. It's the Department of Labor that has the ability to determine this, and so that sweeping statement is simply not true. As to the service sector, the administration letter says the bill does not clearly articulate any separation of such workers from their employment, must be attributable to trade. I just ask they read the language in the bill because it talks about articles or services like or directly competitive with articles that are produced

or services that are provided by such firm that relate to overseas competition.

Lastly, I want to say a word about health care. Look, we increased it from 65 to 85 percent because 65 percent doesn't work. Only 10 percent of those eligible for TAA now receive health care. We have an obligation in this institution for people who are laid off, who are dislocated, to receive health care for themselves and their family, and 65 to 70 percent isn't going to work. We know it. We know it.

Mr. MCCRERY. Mr. Speaker, before yielding to the gentleman from North Carolina, I was moved by Mr. MILLER's presentation a few minutes ago and would tell the Speaker, if he gets a chance, to tell the gentleman that if they would look at some of the provisions we have in our bill, it would make it, in fact, easier for all those people he is concerned about to get the training and the retraining under TAA, that those changes are not included in H.R. 3920 or in the bill that came out of Education and the Workforce.

With that, I would yield 2 minutes to the gentleman from North Carolina (Mr. HAYES).

(Mr. HAYES asked and was given permission to revise and extend his remarks.)

Mr. HAYES. Mr. Speaker, I rise in support of H.R. 3920, the Trade and Globalization Assistance Act of 2007. Textile workers in my district in North Carolina have been disproportionately affected by trade and have suffered a number of closings.

I appreciate what Mr. MCCRERY is doing. I wish also that these two bills could have been better combined to take care of the advantages of both.

As many of you know, I have introduced the Trade Adjustment Assistance Reform Act, H.R. 1729, which seeks to expand the current TAA program to give greater resources to displaced workers.

Earlier in the year, I asked Chairman RANGEL to include the provisions in my bill in the comprehensive TAA reauthorization bill. I was pleased to see that many of these provisions made it into the legislation.

Specifically, this bill expands TAA eligibility to include dislocated workers affected by a shift in production in which workers' jobs are moved to nations that have no preferential trade agreement with the U.S., including, particularly, China and others.

It provides a strong increase in the health coverage tax credit. H.R. 3920 increases that credit from 65 to 85 percent. It increases TAA funding authorization from $220 million to $440 million.

I was disappointed to see that H.R. 3920 did not include a key provision to provide automatic eligibility for dislocated textile and apparel workers. However, I was pleased to see that it does include a provision that allows for industry-wide certifications. This bill requires the Secretary of Labor to conduct industry-wide certifications when three petitions from firms in the same industry, such as the textile industry, are certified within a 6-month period. This doesn't provide automatic eligibility for dislocated textile workers, but it is a step in the right direction.

Since I have been in Congress, I have pledged that our office would do all it could to assist displaced workers from the Eighth District in the State of North Carolina. I am pleased that many provisions of the reform act were included in the bill.

Mr. Speaker, I rise in support of H.R. 3920, the Trade and Globalization Assistance Act of 2007.

The Trade Adjustment Assistance program is a good program. I have worked hard to expand this program and make it better in the past, but we must make additional changes to help our manufacturing workers in this increasingly competitive global marketplace. While it is good that these workers are going to get extended unemployment benefits and insured health care, we all know that an unemployment check is no substitute for a paycheck. But when workers are displaced, we want to give them the skills to successfully reenter the workforce.

As many of you know, I have introduced the Trade Adjustment Assistance Reform Act, H.R. 1729, which seeks to expand the current TAA program to give greater resources to displaced workers. Early in the year, I asked Chairman RANGEL to include the provisions in my bill into the comprehensive TAA reauthorization bill. I was pleased to see that many of these provisions made it into this legislation.

Specifically, this bill:

Expands TAA eligibility to include dislocated workers affected by a shift in productions in which the workers' jobs are moved to nations that have no preferential trade agreement with the U.S., including China and others.

Provides a strong increase in the Health Coverage Tax Credit, HCTC. H.R. 3920 increases the tax credit from 65 percent to 85 percent.

Increases TAA funding authorization from $220 million to $440 million.

I was disappointed to see that H.R. 3920 did not include a key provision to provide automatic eligibility for dislocated textile and apparel workers; however, I was pleased to see that it does include a provision that allows for industry-wide certifications. This bill requires the Secretary of Labor to conduct industry wide certifications when three petitions from firms in the same industry, such as the textile industry, are certified within a 6-month period. This doesn't provide automatic eligibility for dislocated textile workers, but it is a step in the right direction.

Mr. Speaker, I have enjoyed working with my good friend and colleague Congressman MIKE MCINTYRE on this bill and North Carolina's Rural Center. The Rural Center is a nonprofit that seeks to promote economic development throughout North Carolina's rural areas, and the Center has been a tremendous advocate for helping dislocated workers throughout the state. This bill resembles many of the recommendations that were published in the Rural Center's report, ''Gaining a Foothold—An Action Agenda to Aid North Carolina's Dislocated Workers.''

Since I have been in Congress, I have pledged that our office would do all it could to assist displaced workers from the 8th District and the State of North Carolina. I am extremely pleased that many of the provisions of the Trade Adjustment Assistance Reform Act were included in this bill to make it possible for these workers to receive expanded assistance and job training to help them to make a successful change in their career.

I look forward to continuing to work with my colleagues as we debate and develop legislation that seeks to help our Nation's workforce adapt for new careers and opportunities.

Mr. LEVIN. It is my pleasure to yield 2 minutes to a colleague of mine and a member of the Ways and Means Committee, Mr. MCDERMOTT from Washington.

(Mr. MCDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Speaker, what makes America work is America's workers.

Today, America is going to work harder to protect its workers. We currently have a program that was put together in the middle of the night in 2002 in the midst of the fast track legislation, and it was never intended to work.

This bill provides protection for almost double the number of workers covered by that program. This measure before us also improves a more basic protection for all jobless workers, unemployment insurance. Only one-third of America's unemployed now receive unemployment benefits, and coverage rates for low-wage and part-time workers are considerably lower.

This bill provides up to $7 billion to States implementing specific policies designed to eliminate unnecessary barriers. We ask States to count a worker's most recent wages when determining their eligibility. We ask States to end discrimination against part-time workers. And we ask them not to disqualify workers who must leave work for compelling family reasons like domestic violence or taking care of a sick child or following a spouse whose job has moved.

These are State options. We are not requiring them to do anything. If they don't want it, they don't have to have the money. But we are giving them the opportunity to take care of their unemployed workers. The improvements promise to provide unemployment benefits to over half a million jobless workers if adopted in every State. Women particularly stand to gain from this bill because they are more likely to work in part-time or low-wage jobs and are more likely to leave for family reasons. The cost of supporting these reforms is fully offset by extending an unemployment tax that has been on the books for 30 years, and that President Bush is specifically asking us to continue. Any talk about increasing taxes is simply empty rhetoric from the other side. They know it, because the last time it was extended, they did it on their watch.

Mr. Speaker, a vote in favor of this bill should be the easiest vote that

every Member of Congress takes this year.

Mr. MCCRERY. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. HERGER), the ranking member of the Trade Subcommittee of the Ways and Means Committee.

Mr. HERGER. Mr. Speaker, losing a job is one of the most disruptive events that can occur to a worker and a family.

We should be helping these individuals to get back to work as soon as possible. That's why I support the trade adjustment assistance and why I introduced a short-term extension of the program to assist workers displaced by trade through December.

□ 1300

Unfortunately, I cannot support today's bill. In addition to expanding the TAA program, which already costs the American taxpayers nearly $1 billion each year, the majority shuts out numerous Republican suggestions that would have instilled accountability and increased flexibility for workers. One provision of their bill eliminates a State's ability to choose the best employees to administer TAA by requiring so-called State merit-based employees to run the program. This means that the 25 States that currently use local employees or outside contractors like nonprofit or community-based groups to operate a more efficient and effective TAA program will no longer be able to do so and will be required to hire more government workers.

I'm also amazed that the majority rejected our proposal to increase accountability by requiring States and organizations that receive TAA to meet performance measures. It should be the goal of all Members to see that taxpayers' dollars are spent wisely, and the lack of such measures is a fundamental shortcoming of the bill. This provision is included in the Republican substitute that we will offer later today.

Far from forcing workers into just any old job, Republicans have worked to find constructive ways to increase TAA program flexibility so workers could have more options to train for a new job and have greater access to employment services. But, again, these suggestions were rejected by the majority.

We all want to help unemployed workers to get back on their feet quickly. But TAA improvement, and especially an expansion of this magnitude, should have been considered in the context of expanding trade opportunities for all Americans through our pending free trade agreements, including Colombia, Panama and South Korea, and reauthorization of the trade promotion authority. Regrettably, we have no commitments from the majority on these important measures, despite months of work.

I urge my colleagues to reject H.R. 3920.

Mr. LEVIN. Mr. Speaker, it is my pleasure to yield 2 minutes to our very, very distinguished colleague from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank my friend and colleague for yielding.

Mr. Speaker, I rise in strong support of H.R. 3920, the Trade and Globalization Assistance Act of 2007.

Under this administration, we have adopted a record eight free trade agreements. In trade and globalization, there are winners and there are losers.

Mr. Speaker, increasing the funding and efficiency of the trade assistance program is the very least we can do as a Congress.

In my home State of Georgia, we have used more than 125 percent of our allotment. Why? Because agriculture and textile jobs are disappearing. They're leaving the State of Georgia.

These families are struggling just to make ends meet. They want to work. They need to work. How can we oppose, how can we be against investing in our greatest asset, the American workforce?

We can spend hundreds, thousands, millions and billions of dollars on war. Can we spend just a few dollars on the workers of America?

To oppose this bill is heartless, it makes no sense, and it is irresponsible.

So I urge all of my colleagues to vote ''yes'' for this important bill.

MODIFICATION TO AMENDMENT NO. 1 OFFERED BY MR. MCCRERY

Mr. MCCRERY. Mr. Speaker, I ask unanimous consent that during consideration of H.R. 3920, pursuant to House Resolution 781, the amendment printed in part B of House Report 110–417 be modified by the form I've placed at the desk.

The SPEAKER pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 1 offered by Mr. MCCRERY:

In the matter proposed to be inserted, strike section 307(c).

The SPEAKER pro tempore. Without objection, the amendment is modified.

There was no objection.

Mr. MCCRERY. Mr. Speaker, may I inquire as to the remaining time for each side.

The SPEAKER pro tempore. The gentleman from Louisiana has 7½ minutes and the gentleman from Michigan has 8½ minutes.

Mr. MCCRERY. Mr. Speaker, at this time I would yield to the gentleman from Michigan (Mr. CAMP) for a unanimous consent request.

(Mr. CAMP of Michigan asked and was given permission to revise and extend his remarks.)

Mr. CAMP of Michigan. Mr. Speaker, the Trade Adjustment Assistance, TAA, program continues to be an important program to American workers who are left out of a job because of increased imports or jobs moving overseas. When workers need assistance getting back on their feet, the TAA program is there to help them get a new job or new career. It is important for Congress to reauthorize this critical program that right now is helping 15,000 workers in Michigan.

I support the Trade and Globalization Assistance Act. This bill provides more funds for training programs, increases the size of the health care tax credit, and assists workers who are in training programs with additional income support. I wish, however, that Chairman RANGEL would have made the health care tax credit permanent instead of eliminating it after 2 years. That being said, I believe it is important that the bill raises the amount of health insurance assistance from 65 percent to 85 percent. Now, out of work individuals will be better able to afford health insurance while they look for a new job.

In my district, where unemployment rates are higher than the national figures, the TAA program has been an invaluable tool in getting people into the classroom and into new, better paying jobs. The community colleges in my district have done a good job of expanding their curriculum to include new courses tailored to high-paying, expanding industries in Michigan. I remain committed to doing whatever it takes to maximize the Federal assistance available to help these workers and their families. In so doing, I will vote for the bill before us this afternoon.

Mr. MCCRERY. Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, now I yield 2 minutes to another distinguished member of this Ways and Means Committee, Mr. NEAL from Massachusetts.

Mr. NEAL of Massachusetts. Mr. Speaker, I want to acknowledge Mr. LEVIN's role, in not only the construction of this legislation, but the role that he's played, I think, in trade issues.

I rise in support of the Trade and Global Assistance Act of 2007. Otherwise known as TAA, this program has been successful in transitioning workers who have been displaced by foreign trade into new jobs. Many workers and businesses in my home district in Massachusetts have already been beneficiaries of assistance provided by TAA.

The bill we're considering today will provide extended and expanded benefits and do so for more workers. It will also expand the critical health care coverage that these displaced workers and their families need.

The bill doubles the current funding amount for retraining of workers for new jobs. But what might be the most exciting new feature in this proposal is the manufacturing and redevelopment zones which are very similar to the popular enterprise and empowerment zones that many American cities have had great success with. These new manufacturing zones will provide businesses with a host of incentives to redevelop in areas that have suffered substantial reductions in manufacturing employment.

TAA extension and expansion should go hand in hand with more free trade agreements. As one who is a supporter of the Peru Free Trade Agreement, which the committee of Ways and Means has just approved, TAA is the safety net we need to enact in a case-

by-case opportunity to give benefits to workers and industries who have been displaced or disrupted because of these agreements. Of course, it is our hope and intent that all free trade agreements lift all economies and industries of both participating countries. But if businesses are impacted and workers are impacted, we must have TAA to retrain that workforce for the jobs of the future.

I urge full adoption of this legislation.

Mr. MCCRERY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BRADY), a member of the Ways and Means Committee.

Mr. BRADY of Texas. Mr. Speaker, there's no question, we need to do a better job of helping people who are laid off from their jobs. Even though only 3 percent of this country's jobs are affected by trade, if it's your job, it's an important one.

But when workers try to get help, what they find is this program is bureaucratic and inefficient and slow to respond. There's a big mismatch between the skills our workers have and the ready jobs that are available for them. But TAA does not do a good job of matching those skills and those workers. And I think there's been a good-faith effort to try to make this a better program, but, in my view, the underlying bill makes it a bigger program, not necessarily a better one.

TAA is a leaky bucket, and I think we're making the bucket bigger and we're pouring more money into it. I don't think we're fixing the holes that really harm workers.

For example, in the bill today we actually enhance duplication of efforts rather than streamline it. This bill prohibits a worker who's laid off for trade reasons to going to the local job training center to get help. In fact, what we require is a new State-run program that has no track record, has no proven success, and we relegate them to really a second tier training system.

In Houston we have WorkSource. It's at 35 different sites around our region. It helps about 340,000 workers laid off, has put 53,000 back to work at higher than average salaries. It's a great proven product.

Under this bill, a worker can't even go down the street to take advantage of those computers and that networking and that work with businesses, but we set up a less efficient one, unproven for them. It doesn't make sense.

I object to the pay-for as well. We are actually making U.S. companies less competitive as they sell overseas. As you know, today it's not enough to buy American; you have to sell American. We want to sell John Deere tractors and Apple computers around the world, and this bill, unfortunately, actually punishes those companies and hurts the workers for them.

The Republican substitute is more flexible. It's less bureaucratic, and provides some commonsense training programs that will actually get workers back to work at a job they can raise their family on, which is what I think there is bipartisan support for.

Mr. LEVIN. Mr. Speaker, I yield 1½ minutes to another distinguished member of the Ways and Means Committee, Mr. BECERRA from California.

Mr. BECERRA. Ladies and gentlemen, we would not send our troops into battle without the best training, armor or weapons. And in that same vein, in today's hypercompetitive global economy, we must know that our workers are the best trained, equipped with the best tools to challenge and excel in the face of that competition.

You name the time or the place, in a fair fight, give me an American worker at my side, and I know I'll come out okay.

But the tragedy here is that, just as we have learned that too many of our troops deployed to Iraq without sufficient body armor or vehicle protection and too many Iraq soldiers have come home to face deplorable or indifferent health care treatment as veterans, for years, too many Americans, as workers, have faced bureaucratic indifference and roadblocks in securing training and adjustment assistance after losing a job due to expanded trade. Today, we plan to change that.

H.R. 3920 doubles job training opportunities so no American worker will face getting in that line and finding out that when he or she gets up there the money's run out for training.

This bill also includes service employees and public employees in the protection, which we haven't had before. If you're a truck driver who loses a job because your company, that other company tells you, well, we no longer need your trucking services because that company's now moving to another country, you've lost your job because of trade, and you should be included as well. We make sure that that employer who has to begrudgingly tell that employee ''I have to let you go,'' that that employer can make sure that if it's a main customer that went abroad, you will be protected as an employee.

Mr. Speaker, this is a time for us to stand up for American workers. It's not their fault. They should be covered, just as our troops should be covered.

Mr. MCCRERY. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Speaker, clearly, anyone who loses their job in America due to factors beyond their control deserve help. That's why we have the unemployment insurance program in the first place.

TAA, obviously, goes beyond that and says, if you lose your job because of foreign trade, then you're going to get extra benefits.

I would be even more enthusiastic about the program if I thought there was any agenda to promote trade by the Democrat majority. I see none. They have allowed the fast track to elapse. I have yet to see any trade agreement come to this floor. And I can say in Texas, the State that I hail from, one out of seven jobs is tied to trade. Trade is important. But I see no pro trade agenda here. What I do see is a massive expansion of another government program with a massive tax increase to go along with it.

Now, we know that roughly 3 percent of Americans will have their jobs displaced by trade. We know that trade will create far more jobs.

But again, I might be more enthusiastic about this legislation if I saw the Democrat majority step up to do something about those who lose their jobs due to frivolous litigation. And yet they've excelled at preventing any kind of tort reform in this economy whatsoever.

I might be more enthusiastic about this package if I saw the Democrat majority do anything to address those who lose their jobs due to excess taxation, particularly on small businesses, the job engine of America.

□ 1315

And yet we know that the distinguished chairman of the Ways and Means Committee just announced ''the mother of all tax hikes.'' Millions and millions of small businessmen all across America could see their taxes increase 25 percent. How many Americans are going to lose their job? Where's the sympathy for those people? Where is their particular special carveout in the unemployment insurance program? I don't see it.

And yet again another current theme we see in all the Democratic legislation is let's somehow loosen up the standards of who can qualify here. Whether it be for housing benefits and agriculture appropriations, whether it be in SCHIP, what we see is language to make it easier for illegal immigrants to access these benefits. We see it each and every time that the bill comes to the floor. We see it yet again in this legislation. Clearly, the American people reject this. That's why this particular program needs to be rejected.

Mr. LEVIN. I would now like to yield 1¾ minutes to another distinguished member of our committee, Mr. BLUMENAUER from Oregon.

Mr. BLUMENAUER. My good friend from Texas, if he would have bothered to talk to the ranking member of the Ways and Means Committee, who was seated on the floor next to him, would have known that there is a trade bill coming to the floor, passed unanimously, 39–0, that is a reflection of what we were sent here to do, which was to redefine, redirect these policies so that they were win-wins, so that they benefited the economy, not at the expense of working men and women, not at the expense of the environment. And the legislation we have before us here today is an extension of that strategy.

There is a clash of philosophies that you are going to hear in the next hour.

We have included a greater scope, including services, as you have talked about. The notion is to expand and enhance, to deal with people who are disadvantaged, in some cases harmed, because of global impacts beyond their control. Our Republican friends would propose to redirect and reduce.

We put more money for more employees with issues of health care. Their proposal, if you look at it carefully, is doing it on the cheap, perhaps with contract employees, capping training assistance at $8,000 over 2 years. Just because you call it a scholarship doesn't mean that it's not going to be a cut for over 25 percent of the workers on the current program in States like Pennsylvania. Even in Nebraska, 80 percent are going to see a 25 percent reduction because they already benefit from more expensive programs.

I hope that as a result of the debate today where people look behind the premises of our friends on the other side of the aisle, the program here, there will be an opportunity to make a judgment about what is the approach. Ultimately I hope we unite behind the approach in the bill before us, and I urge its adoption.

Mr. MCCRERY. Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. How much time is remaining?

The SPEAKER pro tempore. The gentleman from Michigan has 3¼ minutes. The gentleman from Louisiana has 3 minutes.

Mr. LEVIN. Mr. Speaker, I now yield 1½ minutes to another very active member of our committee, the Ways and Means Committee, Mr. PASCRELL from New Jersey.

Mr. PASCRELL. Mr. Speaker, to the gentleman from Texas, he obviously didn't read the bill. I recommend that you read the bills before you get up on the floor and make a fool of yourself.

It says right here, section 114, ''No benefit allowances, training, or other employment services may be provided under this chapter to a worker who is an alien unless the alien is an individual lawfully admitted for permanent residence to the United States, is lawfully present in the United States, or is permanently residing in the United States under color of the law.''

You stoop to conquer. You should be ashamed of yourselves. Every time you get in the corner, you've got to bring up illegal aliens. It says it in the law.

By the way, any law that I know of dealing with people who are out of work deals only with those people who are here legally. Get it? It's easy. It's simple. There are only three words here with more than three syllables. You've got to understand that, instead of coming to this floor and embarrassing yourselves.

We know that the dramatically accelerated pace of globalization is one of the more major phenomena of this era. We accept this. But we also believe that we must help shape globalization and mitigate its negative side effects so that American workers are no longer left behind. Dislocated workers put out of their jobs as a result of trade decisions must be protected. We need to first stop the hemorrhaging of the jobs. Just this morning, we had a 39–0 vote. How dare someone come to the floor and twist the record.

I want his words examined, the gentleman from Texas. I want his words examined. You can't come to the floor and say whatever you want. This is not covered speech.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind Members that they should address their remarks to the Chair and not to other Members in the second person.

Mr. MCCRERY. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I understand how people can get emotional about some of the arguments with respect to these bills. My good friend from New Jersey is clearly agitated, and I understand that. But I would tell him that some very good lawyers have looked at the language in the bill, which is different from current law language with respect to providing benefits to illegal immigrants. And categories two and three, which the gentleman cited, ''lawfully present in the United States'' or ''permanently residing in the United States under color of law,'' do present problems. First, there are multiple definitions of what ''lawfully present'' means in current law and regulation. Even more fundamentally, literally millions of students and tourists and other ''nonimmigrants'' are ''lawfully present'' in the United States each year. The provision in the bill appears intended to make these groups eligible for TAA benefits despite their not being authorized to work in the United States in the first place.

And the category of ''permanently residing under color of law'' is still more problematic. Even though the welfare reform law sought to do away with this ambiguous category, it continues to be used in some programs. SAA regulations, for example, define PRUCOL, permanently residing in the United States under color of law, to include, among other categories, ''aliens living in the United States with the knowledge and permission of the INS/CIS and whose departure that agency does not contemplate enforcing.'' That is, those who are illegally present and who could be deported but are not. This category could include individuals who were originally authorized to work in the United States for a temporary period of time, lost that job, and under current law were supposed to leave the United States but remained despite the requirement that they leave. It could also include individuals who enter the United States illegally in the first place who are known to the government to be here but who are not being deported.

So, Mr. Speaker, I understand how we can all get emotional about this, but the fact is, at least according to the lawyers that have looked at this information and advised us, the bill does loosen current law with respect to verifying that people who are here illegally are not due the benefits. As the gentleman said, it appears that the intent of the bill is not to qualify those people, but the language of the bill, unfortunately, according to some very good lawyers, might, indeed, allow qualification for those who are here illegally.

Mr. Speaker, I didn't intend to get into all of that. But the fact is that the bill that is before us, I believe, goes way too far in spending, way too far in increasing taxes, and, for those two things alone, should be rejected.

Mr. LEVIN. Mr. Speaker, how much time do I have?

The SPEAKER pro tempore. The gentleman has 1¾ minutes.

Mr. LEVIN. Mr. Speaker, I yield the balance of that to the original sponsor of this legislation going back a number of years, Mr. SMITH of Washington.

(Mr. SMITH of Washington asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Washington. Thank you, Mr. Chairman, for your work on this legislation.

I strongly support expanding trade adjustment assistance for a very simple reason. Workers in our country need help.

We all acknowledge that the economy has changed. And one of the main features of that change is rapid displacement of workers. They have to update their skill. They have to change jobs. It used to be you could get a job for a company that you knew was going to be there and a job that you knew was going to be there, and everybody acknowledges that has changed, primarily because of global competition and because of technology.

So this bill asks one very simple question: Do you think the workers of this country need help in this new environment with all of that rapid change, with all of the displacement that we have heard about from both sides of the aisle today? Do the workers in this country need more help to deal with that? Do they need a bridge between jobs, income support? And do they need training to help them be qualified for new jobs that will be available? And do they need health care support since so many people in this country's health care is dependent upon their jobs?

The answer to all of those questions is obviously yes. That is what this bill does. It expands the number of people who will have access to that desperately needed help. It gives our workers a chance.

We all know that the new economy in globalization is here to stay. We acknowledge that. But what we on this side of the aisle want to do is help our workers deal with that instead of just saying, Good luck. It's changed. You're going to be displaced. We hope it works out for you. Overall, we'll be fine.

We focus on those workers who need help, and this bill gives them more help. It expands the service sector workers, and it expands the number of displaced workers in this country who will get that income support, that job training, and that health care that they so desperately need.

I strongly urge support for this legislation.

Mr. KIND. Mr. Speaker, today I rise in strong support of the Trade and Globalization Assistance Act so that all American workers will be able to realize the benefits of the global economy. H.R. 3920 will update our system of trade adjustment assistance, TAA, to include service sector employees, strengthen benefit levels and duration, improve worker training, and stimulate economic recovery in affected communities. These are needed changes to ensure that workers affected by globalization are taken care of if their job is lost.

International trade is an essential part of the American economy today and in the future. In fact, total U.S. trade of goods and services last year totaled $3.6 trillion. The reduction of trade barriers in recent years has led to a corresponding increase in trade volume, to the benefit of both American businesses and American consumers. Knowing that these benefits do not accrue evenly across all industries, however, Congress established the TAA program to help smooth the transition for workers who have to make the shift to a more competitive field.

The safety net for outsourced jobs, which consists of extended unemployment benefits, worker training, and a health care tax credit, was first enacted in 1962 and updated in 2002. This update, however, did not go far enough to bring the program up to date with current trade and labor realities. For one, the benefits currently extend only to workers in the manufacturing sector, despite the fact that a growing percentage of jobs shifted overseas have been from the services sector, such as telemarketing and financial services. Since the nature of the American economy has moved away from a reliance on manufacturing, it only makes sense that workers in the services sector be eligible for the same support as industrial workers.

The bill makes a number of other changes to strengthen TAA benefits, including an increase in the health care tax credit, an extension of income support and training period, and a large increase in the overall funding level to ensure that no eligible worker is turned away due to lack of program funds.

But H.R. 3920 also takes the TAA program beyond the effects on individual workers by offering new tax incentives for investment in distressed communities that have lost manufacturing jobs. The whole notion of worker assistance is meaningless without creating new jobs for displaced employees. Targeting investment into communities with an available workforce would benefit employers and employees alike and maintain vibrant towns and cities across this Nation.

Finally, this bill considers the needs of the larger Federal-State unemployment insurance (UI) system by dedicating $100 million annually for the States to improve UI administration. Additional funding for this purpose would also be available from Federal unemployment trust funds. This money would be an incentive for States to cover part-time, low-wage, and other workers in State UI laws.

I look forward to passing this bill today in anticipation of also passing pending trade deals in the coming weeks and months. By giving our businesses the freedom they need to sell American goods and services abroad, we are ensuring that the American economy will stay strong and competitive in the future. By assuring our employees that there will always be a place for good American workers, we will ensure a strong labor force capable of evolving along with the global economy.

I support H.R. 3920, and I urge my colleagues to vote for it today.

Mr. PATRICK J. MURPHY of Pennsylvania. Mr. Speaker, I rise today to support much-needed economic redevelopment through the Trade and Globalization Assistance Act. This forwarding-thinking legislation will ensure that America's workers receive the training and assistance they need to compete in the global economy.

Globalization has had a significant impact on the American workforce, but our national policies have not kept pace with international economic changes. Gone are the days when men and women began and ended their careers at a steel or textile mill. Now, even customer service professionals and software engineers are losing jobs to overseas competition.

Thirty years ago, in my district in Bucks County, Pennsylvania, more than 46,000 people were employed in manufacturing jobs. Like many other working-class communities, my district suffered severe job loss when foreign competition forced major employers like US Steel, Jones Apparel and Rohm and Haas to shut-down most of their operations. By 2005, manufacturing employment in Bucks County had fallen 34 percent. The departure of manufacturing jobs resulted in vacant properties, abandoned buildings and contaminated land—and in Bristol, Pennsylvania, crumbling roads and poor drainage put families at risk during a recent flood. But most of all, the decline in manufacturing jobs decline left thousands of middle class workers out of a job.

Mr. Speaker, the Trade and Globalization Assistance Act makes substantial improvements to the Trade Adjustment Assistance Program and gives communities like mine a chance.

Through the Manufacturing Redevelopment Zone Program, this legislation will provide important tax incentives to cities and towns like those in my district that have suffered substantial reductions in manufacturing employment. Communities designated as manufacturing redevelopment zones will have a second-chance to revitalize their economy by attracting new investments that will create family-sustaining jobs. This program will help lift-up some of our Nation's poorest communities, but it is also a chance to demonstrate our commitment to American innovation.

While towns in my district still face many challenges, lower Bucks County has begun to turn the comer. Over the past 5 years, we have worked hard attract new investment, support workforce development and improve infrastructure.

The ongoing redevelopment at a former US Steel site is an outstanding example of my community's potential. Through incentives and a commitment to revitalization, that site is now home to a clean wind power manufacturer that employs over 800 people. More high-tech, green energy companies plan to open facilities in the near future. We have made great progress, but there is more work to be done.

The additional incentives provided under a manufacturing zone designation would allow towns in lower Bucks County to make infrastructure improvements, cleanup brownfields, attract new investments and create jobs. Through ingenuity and good old fashioned American competitiveness we will move even closer to economic revitalization and energy independence.

Mr. Speaker, Lower Bucks County has enormous potential and I pledge to do everything I can to encourage economic growth and support middle class families in my district. Towns in my district are still struggling and I am proud to partner local leaders and the business community to support economic development.

By passing this bill, we give hard working Americans the support they need and strengthen a foundation for economic leadership. I urge my colleagues to support this critical piece of legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 3920, The Trade and Globalization Assistance Act of 2007, introduced by my distinguished colleague from New York, Chairman RANGEL. This important legislation updates and overhauls the antiquated Trade Assistance Act for workers program of 1962.

In today's globalized economy, no worker is untouched by the phenomenon of the global trade market. In 1962, when the Trade Assistance Act was conceived and implemented, the status of American workers was much different than it is today. The existing and outdated legislation is marred with arbitrary eligibility criteria and inconsistencies as well as a lack of coverage for workers in industries that were not yet prominent.

Mr. Speaker, the Trade and Globalization Assistance Act of 2007, integrates all workers whose efforts in building our global economy make our economy flourish within the international system. Coverage will now be granted to workers in the service industry, which had yet to significantly develop in the 1960's, as well as secondary and offshore workers. The bill eliminates restrictions, ensuring that all workers impacted by trade are covered, regardless of where the factory relocated to or where the import competition came from. This legislation will also ensure automatic certification for workers covered by ITC injury determinations, which is a major issue in the current economy in which products and technologies quickly are eclipsed and job security is never ensured. Furthermore, this legislation will work to synchronize the Trade Assistance Act certification process which is currently on a firm-by-firm basis. Consistency in our treatment of workers is absolutely imperative, to ensure we have an equitable system which protects the backbone of our Nation.

The U.S. Chamber of Commerce, the world's largest business federation representing more than three million businesses and organizations of every size, sector, and region, has urged Congress to pass this legislation. As representatives of America's workers, it is our duty to ensure that they receive all the possible security and benefits of their labor, especially in today's unpredictable global economy. This bill extends TAA job training and health benefits to service workers who lose their jobs due to global trade and covers more manufacturing workers. It also dramatically improves TAA health care benefits and

strengthens job training benefits in order to ensure that our workers develop the skills they need to be successful in well paying jobs. This bill further protects American workers by creating new benefits and tax incentives for industries and communities that have experienced manufacturing job losses, promotes long-needed reforms in unemployment benefits, and strengthens notification of workers laid off in plant closing or in mass layoffs.

This Congress has charted a New Direction Congress when it comes to protecting American workers and by passing an increase in the minimum wage. We must also ensure that America remains a competitive economic power. We must ensure that our workforce is adequately skilled and provided for, not just the privileged few who benefit from the prosperity of our nation but also the labor of everyday Americans who ensure the continued growth of our economy.

Mr. Speaker, I feel that as this country moves forward, this bill is an important first step in ensuring that it does not do so at the expense of American workers.

Mr. VAN HOLLEN. Mr. Speaker, I rise today in support of H.R. 3920, the Trade and Globalization Assistance Act of 2007.

Growing global economic integration means the U.S. economy is more protected from domestic economic shocks because more people in more countries are buying American goods and services. But globalization can also produce harmful short term affects—such as when American jobs are lost as a result of trade. That is what H.R. 3920 is about.

H.R. 3920 helps those American workers who lose their jobs by no fault of their own as a result of trade and who need assistance in meeting the new challenges of the changing global economy. The types of assistance provided include additional training, long term education, short term income support, and health care.

The bill expands trade adjustment assistance to service workers including government employees who are laid off because of trade. When trade adjustment assistance started in 1962, U.S. trade in services was not significant. Today, the service sector comprises more than 70 percent of the U.S. economy. H.R. 3920 updates trade adjustment assistance to account for the size and growing significance of the American service sector.

The bill also expands assistance to more manufacturing workers by eliminating restrictions on what country a U.S. factory's jobs are moved to or whether the loss of jobs are ''downstream'' so that all workers impacted by trade are covered regardless of where the factory relocates or where the import competition came from.

H.R. 3920 also helps American workers adapt to the needs of the changing global economy by enabling them to upgrade their skills. This bill doubles training assistance and provides up to 130 weeks of additional income support for workers who require a longer educational period, such as when finishing a college degree.

Mr. Speaker, today the Peru Free Trade Agreement was reported out of the Ways and Means Committee by a vote of 39–0. Many of us supported the Peru FTA because of the landmark workers rights and environmental provisions negotiated this past May that were inserted in the agreement. They were also influenced and encouraged by H.R. 3920 because they, like myself, feel more confident that American workers harmed by trade will get the assistance they need to meet the new challenges created by a global economy.

I am proud to support H.R. 3920 the Trade and Globalization Assistance Act of 2007, and I encourage my colleagues to do the same.

Mr. ETHERIDGE. Mr. Speaker, I rise today in support of H.R. 3920, the Trade and Globalization Act of 2007.

Mr. Speaker, it has been over two decades since there has been any meaningful updating of this important legislation. Effective job training gives workers the tools they need to make the most of their employment and economic opportunities.

When the first Trade Adjustment Assistance Act was passed in 1962 the job losses addressed by this law were mainly manufacturing jobs; today our economy faces the threat of job losses in the service industry as well.

H.R. 3920 makes important updates to this initiative, including provisions that close outdated loopholes to make anyone who loses a job as a result of a factory moving overseas to be eligible for Trade Adjustment Assistance. The bill doubles the training fund cap to retrain displaced workers from $220 to $440 million dollars, makes more service industry workers such as customer service workers eligible for assistance, and finally, increases the Health Care Tax Credit subsidy for displaced workers who have lost their healthcare coverage to 85 percent.

Mr. Speaker, this is timely and needed legislation. I urge my colleagues to support this bill and vote yes on H.R. 3920.

The SPEAKER pro tempore. All time for debate on the bill has expired.

AMENDMENT NO. 1 OFFERED BY MR. MCCRERY, AS MODIFIED

Mr. MCCRERY. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 printed in part B of House Report 110–417 offered by Mr. MCCRERY, as modified:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Helping American Workers Adjust to Globalization and Win Act''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Petitions and Determinations

SEC. 101. PETITIONS.

Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)) is amended—

(1) in paragraph (1), by striking ''simultaneously with the Secretary and with the Governor of the State in which such workers' firm or subdivision is located'' and inserting ''with the Secretary'';

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(3) by inserting after paragraph (1) the following new paragraph:

''(2) Upon receipt of a petition filed under paragraph (1), the Secretary shall promptly notify the Governor of the State in which such workers' firm or subdivision is located of the filing of the petition and its contents.'';

(4) in paragraph (3) (as redesignated by paragraph (2) of this section), by striking ''a petition filed under paragraph (1)'' and inserting ''a notice under paragraph (2)''; and

(5) in paragraph (4) (as redesignated by paragraph (2) of this section)—

(A) by striking ''the petition'' and inserting ''a petition filed under paragraph (1)''; and

(B) by inserting ''and on the Website of the Department of Labor'' after ''in the Federal Register''.

SEC. 102. GROUP ELIGIBILITY REQUIREMENTS.

(a) IN GENERAL.—Subsection (a)(2)(B)(i) of section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended by inserting at the end before the semicolon the following: ''that contributed importantly to such workers' separation or threat of separation''.

(b) ADVERSELY AFFECTED SECONDARY WORKERS.—Subsection (b) of such section is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) by redesignating paragraph (3) as paragraph (4);

(3) by inserting after paragraph (2) the following new paragraph:

''(3) the sales or production, or both, of such firm or subdivision have decreased absolutely; and''; and

(4) in subparagraph (A) of paragraph (4) (as redesignated by paragraph (2) of this subsection), by inserting at the end before the semicolon the following: ''and contributed importantly to the workers' separation or threat of separation determined under paragraph (1)''.

(c) DEFINITIONS.—Subsection (c) of such section is amended—

(1) in paragraph (3), by striking '', if the certification of eligibility under subsection (a) is based on an increase in imports from, or a shift in production to, Canada or Mexico''; and

(2) by adding at the end the following new paragraphs:

''(5) The term 'article' means—

''(A) a tangible product subject to duty under the Harmonized Tariff Schedule of the United States which is not incidental to the provision of a service; or

''(B) an intangible product, such as a digital product (including computer programs, text, video, image and sound recordings, and similar products), that would be subject to duty under the Harmonized Tariff Schedule of the United States if the intangible product were embodied in a physical medium and which is not incidental to the provision of a service.

''(6) The term 'worker' means—

''(A) with respect to a firm described in subsection (a)—

''(i) an individual directly employed by the firm that produces an article that is the basis for a determination under subsection (a) and who performs tasks relating to the production of the article; or

''(ii) an individual who is under the operational control of the firm that produces an article that is the basis for a determination under subsection (a) pursuant to a contract or leasing arrangement and who performs tasks relating to the production of the article;

''(B) with respect to a firm that is a supplier described in subsection (b)—

''(i) an individual directly employed by the firm that is a supplier and who performs tasks relating to the production of component parts for an article that is the basis for a determination under subsection (a); or

''(ii) an individual who is under the operational control of the firm that is a supplier pursuant to a contract or leasing arrangement and who performs tasks relating to the production of component parts for an article that is the basis for a determination under subsection (a); and

''(C) with respect to a firm that is a downstream producer described in subsection (b)—

''(i) an individual directly employed by the firm that is a downstream producer and who perform tasks relating to the provision of additional, value-added production processes for an article that is the basis for a determination under subsection (a); or

''(ii) an individual who is under the operational control of the firm that is a downstream producer pursuant to a contract or leasing arrangement and who performs tasks relating to the provision of additional, value-added production processes for an article that is the basis for a determination under subsection (a).''.

SEC. 103. DETERMINATIONS BY SECRETARY OF LABOR.

(a) WORKERS COVERED BY CERTIFICATION.—Subsection (b) of section 223 of the Trade Act of 1974 (19 U.S.C. 2273) is amended—

(1) in the matter preceding paragraph (1), by striking ''under this section'' and inserting ''under subsection (a) or (d) of this section''; and

(2) in paragraph (2), to read as follows:

''(2) after the earliest of—

''(A) the date that is two years after the date on which certification is granted under subsection (a);

''(B) the date that is two years after the date of the earliest determination, if any, denying certification under subsection (a); or

''(C) the termination date, if any, determined under subsection (e).''.

(b) PUBLICATION OF DETERMINATION.—Subsection (c) of such section is amended—

(1) by striking ''his determination'' and inserting ''a determination'';

(2) by inserting ''and on the Website of the Department of Labor'' after ''in the Federal Register''; and

(3) by striking ''his reasons'' and inserting ''the Secretary's reasons''.

(c) AMENDMENT TO CERTIFICATION.—Such section is further amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

''(d) Whenever the Secretary determines, with respect to any certification of eligibility of the workers of a firm or subdivision of the firm, and subject to such regulations as the Secretary may prescribe, that good cause exists to amend such certification, the Secretary shall amend such certification and promptly publish notice of such amendment in the Federal Register and on the Website of the Department of Labor together with the reasons for making such determination.''.

(d) TERMINATION OF CERTIFICATION.—Subsection (e) of such section (as redesignated by subsection (c)(1) of this section) is amended—

(1) by striking ''he shall'' and inserting ''the Secretary shall'';

(2) by inserting ''and on the Website of the Department of Labor'' after ''in the Federal Register''; and

(3) by striking ''his reasons'' and inserting ''the Secretary's reasons''.

SEC. 104. BENEFIT INFORMATION TO WORKERS.

Section 225(a) of the Trade Act of 1974 (19 U.S.C. 2275(a)) is amended in the fourth sentence by striking ''the State Board for Vocational Education or equivalent agency and other public or private agencies, institutions, and employers, as appropriate,'' and inserting ''the appropriate State workforce investment board (established under section 111 of the Workforce Investment Act of 1998 (29 U.S.C. 2821)) and State workforce agency responsible for the administration of the State workforce investment program funded under title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.)''.

SEC. 105. ADMINISTRATIVE RECONSIDERATION OF DETERMINATIONS BY SECRETARY OF LABOR.

(a) IN GENERAL.—Subchapter A of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding at the end the following new section:

''SEC. 226. ADMINISTRATIVE RECONSIDERATION OF DETERMINATIONS BY SECRETARY OF LABOR.

''(a) ADMINISTRATIVE RECONSIDERATION.—

''(1) IN GENERAL.—A worker, group of workers, certified or recognized union or other duly authorized representative of such worker or group of workers, or any of the individuals or entities described in section 221(a)(1)(C), aggrieved (or on behalf of such

workers aggrieved) by a determination of the Secretary of Labor under section 223 denying a certification of eligibility, may file a request for administrative reconsideration with the Secretary not later than 60 days after the date on which notice of the determination is published under section 223.

''(2) FAILURE TO MAKE TIMELY REQUEST.—The failure to file a request for administrative reconsideration of a determination denying a certification of eligibility under section 223 within the 60-day period described in paragraph (1) shall be deemed to be a failure to exhaust administrative remedies and such determination shall not be subject to judicial review under section 284.

''(b) NOTICE, REVIEW, AND FINAL DETERMINATION.—

''(1) NOTICE.—If a request for administrative reconsideration of a determination of the Secretary is filed in accordance with the provisions of subsection (a), the Secretary shall promptly publish notice thereof in the Federal Register and on the Website of the Department of Labor.

''(2) REVIEW OF DETERMINATION.—The Secretary shall initiate a review of the determination of the Secretary upon filing of the request for administrative reconsideration under subsection (a) and shall include an opportunity for interested persons to submit additional information.

''(3) FINAL DETERMINATION.—The Secretary shall issue a final determination on the request for administrative reconsideration not later than 60 days after the date on which the Secretary publishes notice of the request for reconsideration pursuant to paragraph (1). Upon reaching a determination on a reconsideration, the Secretary shall promptly publish a summary of the determination in the Federal Register and on the Website of the Department of Labor, together with the reasons for making such determination. The requirements relating to judicial review under section 284 shall apply to any determination made by the Secretary under this subsection.''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of the Trade Act of 1974 is amended by inserting after the item relating to section 225 the following:

''Sec. 226. Administrative reconsideration of determinations by Secretary of Labor.''.

Subtitle B—Program Benefits

CHAPTER 1—TRADE READJUSTMENT ALLOWANCES

SEC. 111. QUALIFYING REQUIREMENTS FOR WORKERS.

(a) BASIC TRADE READJUSTMENT ALLOWANCE.—Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended—

(1) in the matter preceding paragraph (1), by striking ''60 days'' and inserting ''40 days'';

(2) in paragraph (1), by striking ''occurred—'' and all that follows and inserting ''occurred during the period described in section 223(b).''; and

(3) by striking paragraphs (4) and (5).

(b) PAYMENT OF ADDITIONAL TRADE READJUSTMENT ALLOWANCE.—Such section is further amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following new subsection:

''(b) In addition to the payment of a trade readjustment allowance under subsection (a), payment of an additional trade readjustment allowance shall be made to an adversely affected worker who is covered by a certification under subchapter A and who—

''(1) files an application for such allowance for any week of unemployment which begins after the worker has received the maximum amount of trade readjustment allowances payable under subsection (a);

''(2) meets the conditions described in paragraphs (1) through (3) of subsection (a); and

''(3) is either—

''(A) totally unemployed and is enrolled in a full-time training program approved by the Secretary under section 236(a); or

''(B) partially unemployed and is enrolled in a full-time or part-time training program approved by the Secretary under section 236(a).''.

(c) WITHHOLDING OF TRADE READJUSTMENT ALLOWANCE PENDING BEGINNING OR RESUMPTION OF PARTICIPATION IN TRAINING PROGRAM; PERIOD OF APPLICABILITY.—Subsection (c) of such section (as redesignated by subsection (b)(1) of this section) is amended to read as follows:

''(c) If the Secretary determines that—

''(1) the adversely affected worker—

''(A) has failed to begin participation in the training program the enrollment in which meets the requirement of subsection (b)(3), or

''(B) has ceased to participate in such training program before completing such training program, and

''(2) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the adversely affected worker under this part for the week in which such failure, cessation, or revocation occurred, or any succeeding week, until the adversely affected worker begins or resumes participation in a training program approved under section 236(a).''.

(d) WAIVERS OF TRAINING REQUIREMENTS.—Subsection (d) of such section (as redesignated by subsection (b)(1) of this section) is hereby repealed.

SEC. 112. WEEKLY AMOUNTS.

(a) IN GENERAL.—Subsection (a) of section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by striking ''(a)'' and inserting ''(a)(1)'';

(2) by inserting ''paragraph (2) and'' after ''Subject to'';

(3) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(4) by adding at the end the following new paragraph:

''(2)(A) Notwithstanding section 231(a)(3)(B), if an adversely affected worker who is participating in training qualifies for unemployment insurance under State law, based in whole or in part upon part-time or short-term employment following approval of the worker's initial trade readjustment allowance application under section 231(a), then for any week for which unemployment insurance is payable and for which the worker would otherwise be entitled to a trade readjustment allowance based upon the certification under section 223, the worker shall be paid a trade readjustment allowance in the amount described in subparagraph (B).

''(B) The trade readjustment allowance payable under subparagraph (A) shall be equal to the weekly benefit amount of the unemployment insurance upon which the worker's trade readjustment allowance was initially determined under paragraph (1), reduced by—

''(i) the amount of the unemployment insurance benefit payable to such worker for that week of unemployment for which a trade readjustment allowance is payable under subparagraph (A) of this paragraph; and

''(ii) the amounts described in subparagraphs (A) and (B) of paragraph (1).''.

(b) ADVERSELY AFFECTED WORKERS WHO ARE UNDERGOING TRAINING.—Subsection (b) of such section is amended—

(1) by inserting ''under section 231(b)'' after ''who is entitled to trade readjustment allowances''; and

(2) by striking ''he is undergoing any such'' and inserting ''such worker is undergoing''.

SEC. 113. LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES.

Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''The maximum amount'' and inserting ''Except as provided in paragraph (3), the maximum amount''; and

(ii) by striking ''52'' and inserting ''39''; and

(B) in paragraph (3), by striking ''52'' each place it appears and inserting ''65'';

(2) by striking subsection (b);

(3) by redesignating subsections (c) through (g) as subsections (b) through (f), respectively; and

(4) in subsection (f) (as redesignated by paragraph (3) of this section), by striking ''section 236(a)(5)(D)'' and inserting ''section 236''.

CHAPTER 2—TRAINING, OTHER REEMPLOYMENT SERVICES, AND ALLOWANCES

SEC. 121. REEMPLOYMENT SERVICES.

(a) IN GENERAL.—Section 235 of the Trade Act of 1974 (19 U.S.C. 2295) is amended—

(1) in the heading, by striking ''**EMPLOYMENT**'' and inserting ''**REEMPLOYMENT**'';

(2) by striking ''The Secretary'' the first place it appears and inserting ''(a) The Secretary'';

(3) by striking ''counseling, testing, and placement services, and supportive and other services'' and inserting ''career counseling, testing and assessments, and job placement services, and supportive and other services''; and

(4) by adding at the end the following new subsection:

''(b) In order to facilitate the provision of services described in subsection (a), the Secretary shall ensure the effective implementation of the requirements of section 239(e) relating to the co-enrollment of adversely affected workers in the dislocated worker program authorized under chapter 5 of subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2861 et seq.).''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of the Trade Act of 1974 is amended by striking the heading relating to part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 and the item relating to section 235 of such Act and inserting the following:

''PART II—TRAINING, OTHER REEMPLOYMENT SERVICES, AND ALLOWANCES

''Sec. 235. Reemployment services.''.

SEC. 122. TRAINING.

(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended to read as follows:

''SEC. 236. TRAINING.

''(a) APPROVAL OF TRAINING.—

''(1) IN GENERAL.—If the Secretary determines that an adversely affected worker, including an adversely affected worker who has obtained reemployment subsequent to separation from the adversely affected employment, or an adversely affected incumbent worker, meets the criteria described in paragraph (2), and otherwise meets the requirements described under this section, the Secretary shall approve the training program requested by the worker. Upon such approval, the worker shall be entitled to have payment of the costs of such training (subject to the limitations imposed by this section) paid on the worker's behalf by the Secretary directly or through a voucher system.

The costs of such training shall include the costs of tuition, books, required tools, and fees related to education, licensing, or certification.

''(2) CRITERIA FOR APPROVAL OF TRAINING PROGRAM.—For purposes of paragraph (1), training for an adversely affected worker or an adversely affected incumbent worker, shall be approved if the Secretary determines that—

''(A) the worker needs additional marketable skills to obtain or retain employment comparable to the worker's adversely affected employment;

''(B) there is a reasonable expectation of such employment following the completion of the training; and

''(C) the worker is qualified to undertake and complete the training sought.

''(3) ENROLLMENT DEADLINE.—

''(A) IN GENERAL.—In order to receive assistance under this section, a worker shall enroll in a training program approved under paragraph (1) not later than the later of—

''(i) the last day of the 39th week after the worker's most recent separation from adversely affected employment which meets the requirements of paragraphs (1) and (2) of section 231(a); or

''(ii) the last day of the 13th week after the week in which the Secretary issues a certification under subchapter A covering such worker.

''(B) EXTENSION FOR JUSTIFIABLE CAUSE.—The Secretary may grant an extension of the enrollment period described in subparagraph (A) for a worker if the Secretary determines that there is justifiable cause for such an extension.

''(b) FUNDING FOR TRAINING.—

''(1) ANNUAL LIMIT ON AGGREGATE PAYMENTS UNDER PROGRAM.—

''(A) IN GENERAL.—The total amount of payments that may be made under subsection (a)(1) for any fiscal year shall not exceed $220,000,000.

''(B) APPORTIONMENT AMONG STATES.—The Secretary shall establish a method for apportioning among States the funds that are available for training under this chapter in any fiscal year. Such method may include the use of formula allotments and reallotments, and the establishment of a reserve that is used to assist in apportioning funds to those States in need of additional funding during the fiscal year.

''(2) LIMITATIONS APPLICABLE TO WORKERS.—

''(A) DURATION.—Subject to subparagraph (C), the costs of a training program approved under subsection (a)(1) for an adversely affected worker or an adversely affected incumbent worker shall be paid under this section for a period not to exceed four years from the date the worker first enrolled in the training program. A worker may participate in such training program during such period on a full-time or part-time basis. During the period of participation the worker shall make adequate yearly progress, as determined by the Secretary, toward the attainment of a license, certificate, or degree pursuant to such training program in order to remain eligible for assistance under this section.

''(B) AMOUNT.—Subject to subparagraph (C), the payments for a training program under subsection (a)(1) for a worker may not exceed $4,000 for any one-year period, or a total of $8,000 over the maximum four-year period described in subparagraph (A).

''(C) EXCEPTIONS.—

''(i) LITERACY TRAINING AND PREREQUISITES.—If the Secretary determines that an adversely affected worker or an adversely affected incumbent worker needs literacy training, English as a second language instruction, remedial education, educational assistance to obtain a high school diploma or General Equivalency Degree, or prerequisites in order to participate in a training program for occupations in demand, the Secretary shall approve the provision of such activities and provide up to $1,000 in payments for such activities. Such payments shall not be included for purposes of applying the limits on payments described in subparagraph (B).

''(ii) ON-THE-JOB TRAINING.—The provisions of subparagraphs (A) and (B) shall not be applicable to on-the-job training programs, except as provided in subsection (f)(2).

''(3) DUPLICATIVE PAYMENTS PROHIBITED.—No payment may be made under subsection (a)(1) of the costs of training an adversely affected worker or an adversely affected incumbent worker if such costs are payable or have already been paid under any other provision of Federal law.

''(4) REPORT.—

''(A) IN GENERAL.—Not later than May 31 and November 30 of each year, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on—

''(i) the initial allocation among States of funds for training approved under this section;

''(ii) any additional distributions of funds for training approved under this section during the two most recent fiscal quarters and cumulatively during the fiscal year;

''(iii) the amount of funds obligated and expended by the States to provide training approved under this section during the two most recent fiscal quarters and cumulatively during the fiscal year; and

''(iv) the efforts of the Department of Labor to ensure that each State receives an appropriate level of funds during the fiscal year to provide training approved under this section to all eligible workers.

''(B) DEFINITION.—In this paragraph, the term 'fiscal quarter' means any 3-month period beginning on October 1, January 1, April 1, or July 1 of a fiscal year.

''(c) TRAINING PROGRAMS THAT MAY BE APPROVED.—The training programs that may be approved under subsection (a) include—

''(1) employer-based training, including—

''(A) on-the-job training;

''(B) customized training; and

''(C) apprenticeship programs registered under the National Apprenticeship Act (29 U.S.C. 50 et seq.);

''(2) a training program that leads to a license, certificate, or degree and is linked to occupations in demand, which may include training provided in classroom, distance learning, and technology-based learning;

''(3) a training program that has been determined by a State to be eligible to receive payments under section 122 of the Workforce Investment Act of 1998 (29 U.S.C. 2842);

''(4) a program of remedial education that will enable a worker to obtain employment or to enroll in a training program described in paragraph (2) or (3); and

''(5) a training program for which all, or any portion, of the costs of training the worker are paid—

''(A) under any Federal or State program other than this chapter; or

''(B) from any source other than this section.

''(d) SHARING OF COSTS.—

''(1) IN GENERAL.—The Secretary is not required under subsection (a) to pay the costs of any training approved under such subsection to the extent that such costs are paid—

''(A) under any Federal or State program other than this chapter; or

''(B) from any source other than this section.

''(2) COST-SHARING AGREEMENT.—Before approving any training to which paragraph (1) may apply, the Secretary may require that the adversely affected worker or the adversely affected incumbent worker enter into an agreement with the Secretary under which the Secretary will not be required to pay under this section the portion of the costs of such training that the worker has reason to believe will be paid under the program, or by the source, described in subparagraph (A) or (B) of paragraph (1).

''(e) SUPPLEMENTAL ASSISTANCE.—

''(1) IN GENERAL.—The Secretary may, where appropriate, authorize supplemental assistance necessary to defray reasonable transportation and subsistence expenses for separate maintenance when training is provided in facilities that are not within commuting distance of a worker's regular place of residence.

''(2) LIMITATIONS.—The Secretary may not authorize—

''(A) payments for subsistence that exceed whichever is the lesser of—

''(i) the actual per diem expenses for subsistence; or

''(ii) payments at 50 percent of the prevailing per diem allowance rate authorized under the Federal travel regulations; or

''(B) payments for travel expenses exceeding the prevailing mileage rate authorized under the Federal travel regulations.

''(f) PAYMENT OF COSTS OF ON-THE-JOB TRAINING.—

''(1) IN GENERAL.—The Secretary shall pay the costs of any on-the-job training of an adversely affected worker that is approved under subsection (a)(1), but the Secretary may pay such costs, notwithstanding any other provision of this section, only if—

''(A) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits);

''(B) such training does not impair existing contracts for services or collective bargaining agreements;

''(C) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained;

''(D) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained;

''(E) the employer has not terminated the employment of any regular employee or otherwise reduced the work force of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker;

''(F) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals;

''(G) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222;

''(H) the employer is provided reimbursement of not more than 50 percent of the wage rate of the participant, for the cost of providing the training and additional supervision related to the training;

''(I) the duration of such training does not exceed 1 year; and

''(J) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of subparagraphs (A), (B), (C), (D), (E), and (F).

''(2) SUPPLEMENTARY TRAINING.—An on-the-job training program approved under this

section may include, as a component of such program, the provision of training with a provider other than the employer that is not provided on-the-job and is designed to enhance the occupational skills of the worker. The costs of such training shall be subject to the limitation described in subsection (b)(2)(B).

''(g) EFFECT OF APPROVED TRAINING ON ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION.—A worker may not be determined to be ineligible or disqualified for unemployment insurance or program benefits under this subchapter because the individual is in training approved under subsection (a), because of leaving work which is not comparable employment to enter such training, or because of the application to any such week in training of provisions of State law or Federal unemployment insurance law relating to availability for work, active search for work, or refusal to accept work.

''(h) DEFINITION.—In this section, the term 'customized training' means training that is—

''(1) designed to meet the special requirements of an employer or group of employers;

''(2) conducted with a commitment by the employer or group of employers to employ an individual upon successful completion of the training; and

''(3) for which the employer pays for a significant portion of the cost of such training, as determined by the Secretary.''.

(b) CONFORMING AMENDMENTS.—Part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295 et seq.) is amended—

(1) in section 237(b)(2), by striking ''section 236(b)(1) and (2)'' and inserting ''section 236''; and

(2) in subsections (b)(1) and (c)(2) of section 238, by striking ''section 236(b)(1) and (2)'' each place it appears and inserting ''section 236''.

SEC. 123. JOB SEARCH ALLOWANCES.

Section 237(a)(2) of the Trade Act of 1974 (19 U.S.C. 2297(a)(2)) is amended—

(1) in subparagraph (B), by striking ''suitable'' and inserting ''comparable''; and

(2) in subparagraph (C)(ii), by striking '', unless the worker received a waiver under section 231(c)''.

SEC. 124. RELOCATION ALLOWANCES.

Section 238(a)(2) of the Trade Act of 1974 (19 U.S.C. 2298(a)(2)) is amended—

(1) in subparagraph (B), by striking ''suitable'' and inserting ''comparable'';

(2) in subparagraph (D)—

(A) in the heading, by striking ''SUITABLE'' and inserting ''OUT-OF-AREA''; and

(B) in clause (i) to read as follows:

''(i) has obtained employment affording a reasonable expectation of long-term duration in the area in which the worker wishes to relocate and which provides wages that are substantially greater than the wages for the employment that is likely to be available to the worker in the area from which the worker would be relocating; and''; and

(3) in subparagraph (E)(ii), by striking '', unless the worker received a waiver under section 231(c)''.

Subtitle C—General Provisions

SEC. 131. AGREEMENTS WITH STATES.

(a) IN GENERAL.—Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) in the matter preceding clause (1), by striking ''any State agency'' and inserting ''a State agency'';

(2) in clause (2), to read as follows: ''(2) in accordance with subsections (e) and (f), will afford adversely affected workers testing and assessments, career counseling, referral to training and job search programs, and job placement services, and'';

(3) by striking clause (3); and

(4) by redesignating clause (4) as clause (3).

(b) ADMINISTRATION.—Subsection (e) of such section is amended—

(1) in the first sentence, to read as follows: ''Any agreement entered into under this section shall provide for the administration of the provision for reemployment services, training, and supplemental assistance under sections 235 and 236 of this Act by the same State agency responsible for the administration of the State workforce investment program funded under title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.) and shall include such terms and conditions as are established by the Secretary in consultation with the States and set forth in such agreement.'';

(2) in the second sentence, by striking ''Any agency'' and inserting ''The agency''; and

(3) by adding at the end the following new sentence: ''The terms and conditions set forth in the agreement shall include at a minimum that—

''(1) adversely affected workers applying for assistance under this chapter shall be coenrolled in the dislocated worker program authorized under chapter 5 of subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2861 et seq.); and

''(2) the services provided under this chapter shall be administered through the one-stop delivery system established under title I of such Act (29 U.S.C. 2801 et seq.).''.

(c) COOPERATING STATE AGENCY.—Subsection (f) of such section is amended—

(1) in paragraph (2), by adding ''and'' at the end;

(2) by striking paragraph (3);

(3) by redesignating paragraph (4) as paragraph (3); and

(4) in paragraph (3) (as redesignated by paragraph (3) of this subsection), by striking ''suitable''.

(d) PERFORMANCE ACCOUNTABILITY.—Such section is further amended by adding at the end the following new subsection:

''(h) PERFORMANCE ACCOUNTABILITY.—

''(1) IN GENERAL.—Any agreement entered into under this section shall include performance measures that the cooperating State or State agency is expected to achieve with respect to the program carried out under this chapter. The performance measures shall consist of indicators of performance and levels of performance applicable to each indicator.

''(2) INDICATORS OF PERFORMANCE.—The indicators of performance shall be—

''(A) entry into employment;

''(B) retention in employment;

''(C) average earnings; and

''(D) such other indicators as the Secretary determines are appropriate.

''(3) LEVELS OF PERFORMANCE.—The levels of performance for each State for the indicators of performance described in paragraph (2) shall be determined by the Secretary, after consultation with the State.

''(4) PERFORMANCE REPORTING.—Any agreement shall also include a requirement that the State annually report to the Secretary the level of performance achieved with respect to each indicator under the program carried out under this chapter in the preceding fiscal year, and the State shall submit such additional reports regarding the performance of programs as the Secretary may require. The Secretary shall make the information contained in the annual reports available to the general public through publication on the Website of the Department of Labor and other appropriate methods and shall provide copies of the reports to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The Secretary shall also publish on the Website of the Department of Labor a list identifying those States that fail to submit reports to the Secretary on a timely basis or fail to submit accurate reports.''.

SEC. 132. AUTHORIZATION OF APPROPRIATIONS; INCENTIVE PAYMENTS TO STATES.

(a) IN GENERAL.—Subsection (a) of section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking ''December 31, 2007'' and inserting ''September 30, 2012''.

(b) INCENTIVE PAYMENTS TO STATES.—Such section is further amended by adding at the end the following new subsection:

''(c) INCENTIVE PAYMENTS TO STATES.—If, in the last quarter of any fiscal year, the Secretary determines that the amount of funds needed to make payments for the costs of training under this chapter for such fiscal year will not reach the amount of the limitation described in section 236(b)(1)(A) and funds appropriated to make payments for the costs of such training remain available for obligation, the Secretary may use not more than an amount equal to five percent of the amount of the limitation described in such section 236(b)(1)(A) to award funds to States that the Secretary determines have demonstrated exemplary performance in carrying out the program under this chapter with respect to exceeding the performance levels established pursuant to section 239(h) and with respect to such other factors as the Secretary determines appropriate. Such funds shall be available to the States for the purpose of enhancing the administration of the program which may include improvements to management information systems, targeted outreach, staff training, and enhanced services to participants.''.

(c) CONFORMING AND CLERICAL AMENDMENTS.—

(1) CONFORMING AMENDMENT.—Such section is further amended in the heading by inserting before the period at the end the following: ''**; INCENTIVE PAYMENTS TO STATES**''.

(2) CLERICAL AMENDMENT.—The table of contents in section 1 of the Trade Act of 1974 is amended by striking the item relating to section 245 and inserting the following:

''Sec. 245. Authorization of appropriations; incentive payments to States.''.

SEC. 133. PHASE-OUT OF DEMONSTRATION PROJECT FOR ALTERNATIVE TRADE ADJUSTMENT ASSISTANCE FOR OLDER WORKERS.

Section 246(b)(1) of the Trade Act of 1974 (19 U.S.C. 2318(b)(1)) is amended by striking ''the date that is 5 years after the date under which such program is implemented by the State'' and inserting ''September 30, 2008''.

SEC. 134. WAGE SUPPLEMENT PROGRAM.

(a) IN GENERAL.—Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by inserting after section 246 the following new section:

''SEC. 246A. WAGE SUPPLEMENT PROGRAM.

''(a) ESTABLISHMENT.—Beginning on October 1, 2008, the Secretary shall establish a program to provide the benefits described in subsection (b) to an adversely affected worker who meets the eligibility criteria described in subsection (c), including the requirement that such worker be employed for the minimum number of hours per week described in subsection (c)(3).

''(b) BENEFITS.—

''(1) AMOUNT OF PAYMENTS.—A State shall use the funds provided to the State under section 241 to pay an hourly wage supplement to an eligible adversely affected worker for a period not to exceed 2 years, in an amount equal to the difference, if any (but not less than zero) resulting from subtracting the amount described in paragraph (2)(B) from the amount described in paragraph (2)(A).

''(2) FACTORS.—(A) For purposes of paragraph (1), the amount described in this subparagraph is the sum of—

''(i) whichever is the highest of—

''(I) the hourly minimum wage that is applicable to a worker under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.), or if such worker is exempt under section 13 of such Act (29 U.S.C. 213), the hourly minimum wage that would be applicable if section 6(a)(1) of such Act (29 U.S.C. 206(a)(1)) were applied; or

''(II) the applicable State or local hourly minimum wage; and

''(ii) $2.40.

''(B) For purposes of paragraph (1), the amount described in this subparagraph is the hourly wage actually paid to such worker.

''(3) HEALTH INSURANCE ELIGIBILITY.—A worker described in subsection (c) who is participating in the program established under subsection (a) is eligible to receive, for a period not to exceed 2 years, a credit for health insurance costs to the extent provided under section 35 of the Internal Revenue Code of 1986.

''(c) ELIGIBILITY FOR WAGE SUPPLEMENT.—A worker in a group that the Secretary has certified as eligible to apply for adjustment assistance under section 223 may elect to receive the benefits described in subsection (b) if such worker—

''(1) is covered by a certification under subchapter A of this chapter;

''(2) meets the requirements of paragraphs (1) and (2) of section 231(a));

''(3) is employed for an average of at least 30 hours per week, which may include employment as part of an apprenticeship program registered under the National Apprenticeship Act (20 U.S.C. 50 et seq.);

''(4) does not return to the employment from which the worker was separated; and

''(5) has not received any payments under section 246 while covered under the same certification as described in paragraph (1).

''(d) EFFECT ON OTHER BENEFITS.—A worker receiving payments under this section shall not be eligible to receive other benefits under this chapter except for training assistance provided under section 236 (provided that such worker otherwise meets the requirements of section 236) or the assistance described in subsection (b)(3). A worker may receive payments under this section during breaks in training that exceed the period described in section 233(e) if the worker otherwise meets the requirements of this section.''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of the Trade Act of 1974 is amended by inserting after the item relating to section 246 the following:

''Sec. 246A. Wage supplement program.''.

SEC. 135. DEFINITIONS.

Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end the following new paragraphs:

''(18) The term 'comparable employment' means, with respect to a worker, work of a substantially equal or higher skill level than the worker's past adversely affected employment, and wages for such work at not less than 80 percent of the worker's average weekly wage.

''(19) The term 'adversely affected incumbent worker' means a worker who is a member of a group of workers who have been certified as eligible to apply for adjustment assistance under subchapter A and who has not been separated from adversely affected employment.''.

SEC. 136. CAPACITY-BUILDING GRANTS TO ENHANCE TRAINING FOR WORKERS.

(a) IN GENERAL.—Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding at the end the following new section:

''SEC. 250. CAPACITY-BUILDING GRANTS TO ENHANCE TRAINING FOR WORKERS.

''(a) IN GENERAL.—The Secretary may award grants to eligible entities described in subsection (b) to temporarily increase the capacity of such entities, through the activities authorized under subsection (c), to provide training to workers as provided for in section 236.

''(b) ELIGIBLE ENTITIES.—An eligible entity referred to in subsection (a) is—

''(1) a community college (as such term is defined in section 202(a)(2) of the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998 (20 U.S.C. 2371(a)(2)) that provides training for occupations in demand; or

''(2) a provider of training for occupations in demand that is eligible to receive funds under section 122 of the Workforce Investment Act of 1998 (29 U.S.C. 2842).

''(c) AUTHORIZED ACTIVITIES.—An eligible entity that is awarded a grant under this section shall utilize funds under the grant to expand available training slots and prepare adversely affected workers and adversely affected incumbent workers under this chapter for occupations in demand by conducting such activities as the Secretary may authorize, including—

''(1) the development of education and training curricula, which may be developed in consultation with employers of incumbent workers, local workforce investment boards (as defined in section 117 of the Workforce Investment Act of 1998 (29 U.S.C. 2832)), labor organizations that represent individuals currently employed in occupations in demand for the local area, regional economic development agencies, one-stop operators (as defined in section 101(29) of such Act (29 U.S.C. 2801(29)), community-based organizations, or any other public or private entity that is likely to employ or facilitate the employment of adversely affected workers in occupations in demand;

''(2) the hiring of additional faculty and staff;

''(3) the acquisition of new equipment or the upgrading of existing equipment, which shall be necessary to facilitate the teaching of job skills to adversely affected workers and adversely affected incumbent workers; and

''(4) the development of a program to provide on-the-job training experiences for adversely affected workers in coordination with local employers that have committed to employ adversely affected workers following successful completion of the program.

''(d) APPLICATION.—

''(1) REQUESTS FOR APPLICATIONS.—

''(A) BY THE SECRETARY.—In each fiscal year, and at such times as the Secretary may determine, the Secretary may request applications from eligible entities to carry out activities authorized under this section.

''(B) BY AN ELIGIBLE ENTITY.—At any time, and in such form and manner as the Secretary may prescribe, an eligible entity may recommend that the Secretary initiate a request for capacity building grant applications if the eligible entity believes that there has been or will be a sudden and significant shortage of training slots available to adversely affected workers and adversely affected incumbent workers in a local area.

''(2) INFORMATION REQUIRED FOR APPLICATION.—To be eligible to receive a grant under this section, an applicant shall provide to the Secretary the following information in the application:

''(A) A description of the factors in a local area that have resulted or may result in a significant increase in demand for training slots by adversely affected workers and adversely affected incumbent workers, which may include—

''(i) mass layoffs at firms that are believed to employ a large number of adversely affected workers;

''(ii) imminent closure or relocation of facilities that are believed to employ a large number of adversely affected workers; and

''(iii) prevailing labor market conditions that may have an immediate, measurable adverse employment impact on the employment of adversely affected workers.

''(B) A description of the number of training slots currently available to adversely affected workers and adversely affected incumbent workers, and the number of proposed additional slots to be made available using funds under the grant.

''(C) A description of the potential number of adversely affected workers and adversely affected incumbent workers in the local area who would be able to access increased training slots.

''(D) A description of the commitment made by local employers, labor organizations, and other public or private organizations to assist in the development of training and related curricula for the benefit of adversely affected workers and adversely affected incumbent workers.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2008 through 2012.''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of the Trade Act of 1974 is amended by inserting after the item relating to section 249 the following:

''Sec. 250. Capacity-building grants to enhance training for workers.''.

Subtitle D—Effective Date

SEC. 141. EFFECTIVE DATE.

The amendments made by this title shall take effect beginning 90 days after the date of the enactment of this Act.

TITLE II—OTHER TRADE ADJUSTMENT ASSISTANCE PROGRAMS AND RELATED PROVISIONS

SEC. 201. TECHNICAL ASSISTANCE FOR FIRMS.

Section 253 of the Trade Act of 1974 (19 U.S.C. 2343) is amended by adding at the end the following new subsections:

''(c)(1) Any grant made under subsection (b)(3) shall include performance measures that an intermediary organization is expected to achieve with respect to the program carried out under this chapter. The performance measures shall consist of indicators of performance described in paragraph (2) and levels of performance described in paragraph (3) applicable to each such indicator of performance.

''(2) The indicators of performance referred to in paragraph (1) are the following:

''(A) The extent to which outreach efforts effectively apprise import-impacted firms likely to benefit from the program about resources available under the program.

''(B) The extent to which firms receiving adjustment assistance under section 252 meet or exceed targets to retain or create employment.

''(C) The percentage of workers totally or partially separated from employment that have returned to work or returned to their previous level of employment.

''(D) The extent to which firms receiving adjustment assistance under section 252 meet or exceed targets for maintaining or increasing sales or production.

''(E) Such other indicators of performance as the Secretary may determine are appropriate.

''(3) The levels of performance referred to in paragraph (1) shall be determined by the

Secretary, after consultation with the intermediary organization. In reviewing an intermediary organization's levels of performance, the Secretary shall take into consideration economic conditions affecting the region served by the organization that may affect that performance.

''(4)(A) Any grant made under subsection (b)(3) shall also include a requirement that the intermediary organization submit to the Secretary a report on an annual basis on the levels of performance achieved with respect to each indicator of performance under the program carried out under this chapter in the preceding fiscal year, and such additional reports regarding such indicators of performance as the Secretary may require.

''(B) The Secretary shall make the information contained in the reports described in subparagraph (A) available to the general public through publication on the Website of the Economic Development Administration and other appropriate methods. The Secretary shall provide copies of the reports described in subparagraph (A) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

''(C) The Secretary shall also publish on the Website of the Economic Development Administration a list that identifies those intermediary organizations that fail to submit reports to the Secretary in accordance with subparagraph (A) on a timely basis or fail to submit accurate reports to the Secretary in accordance with subparagraph (A).

''(d) At least once every three years, the Secretary shall provide for an independent evaluation of each intermediary organization receiving assistance under this section to assess the intermediary organization's performance and contribution toward retention and creation of employment. The purpose of the evaluations shall be to determine which intermediary organizations are performing well and merit continued assistance under this section and which intermediary organizations should not receive continued assistance under this section, so that other universities and intermediary organizations that have not previously received assistance under this section may participate in the program carried out under this chapter.''.

SEC. 202. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by striking ''and $4,000,000'' and inserting ''$4,000,000''; and

(2) by inserting after ''October 1, 2007,'' the following: ''$15,000,000 for the 9-month period beginning on January 1, 2008, and $19,000,000 for each of the fiscal years 2009 through 2012,''.

SEC. 203. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE FOR FARMERS.

Section 298(a) of the Trade Act of 1974 (19 U.S.C. 2401g(a)) is amended by adding at the end the following new sentence: ''There are authorized to be appropriated to the Department of Agriculture to carry out this chapter $81,000,000 for the 9-month period beginning on January 1, 2008, and $90,000,000 for each of the fiscal years 2009 through 2012.''.

SEC. 204. JUDICIAL REVIEW.

(a) IN GENERAL.—Section 284(a) of the Trade Act of 1974 (19 U.S.C. 2395(a)) is amended in the first sentence—

(1) by striking ''or authorized representative'' and inserting ''or other duly authorized representative'';

(2) by striking ''aggrieved'' and inserting '', or any of the individuals or entities described in section 221(a)(1)(C), aggrieved (or on behalf of such workers aggrieved)''; and

(3) by striking ''section 223'' and inserting ''section 226''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect beginning 90 days after the date of the enactment of this Act.

SEC. 205. TERMINATION.

Section 285 of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended by striking ''December 31, 2007'' each place it appears and inserting ''September 30, 2012''.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. CREDIT REDUCTION FOR FAILURES RELATING TO CO-ENROLLMENT OF PARTICIPANTS AND PROGRAM PERFORMANCE REPORTS.

(a) IN GENERAL.—Paragraph (3) of section 3302(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''(3) If'' and inserting ''(3)(A) Except as provided in subparagraph (B), if'',

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and

(3) by adding at the end the following new subparagraph:

''(B) If the Secretary of Labor determines that a State, or State agency, failed to meet the requirements of subsections (e)(1) (relating to the co-enrollment of participants) or (h)(3) (relating to the submission of reports on program performance) of section 239 of the Trade Act of 1974, the Secretary of Labor may direct that, in the case of a taxpayer subject to the unemployment compensation law of such State, the total credits (after applying subsections (a) and (b) and paragraphs (1) and (2) of this section) otherwise allowable under this section for a year during which such State or agency fails to meet those requirements shall (in lieu of reduction under subparagraph (A)) be reduced by 3 percent of the tax imposed with respect to wages paid by such taxpayer during such year which are attributable to such State.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years beginning after September 30, 2008.

SEC. 302. TAA WAGE SUPPLEMENT PARTICIPANTS ELIGIBILITY FOR CREDIT FOR HEALTH INSURANCE COSTS.

(a) ELIGIBILITY.—Paragraph (1) of section 35(c) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'' , and by adding after subparagraph (C) the following:

''(D) an eligible TAA wage supplement recipient.''.

(b) ELIGIBLE TAA WAGE SUPPLEMENT RECIPIENT DEFINED.—Subsection (c) of section 35 of such Code is amended by adding after paragraph (4) the following:

''(5) ELIGIBLE TAA WAGE SUPPLEMENT RECIPIENT.—The term 'eligible TAA wage supplement recipient' means, with respect to any month, any individual who—

''(A) is a worker described in section 246A(c) of the Trade Act of 1974 who is participating in the wage supplement program established under section 246A(a) of such Act, and

''(B) is receiving a benefit for such month under section 246A(b) of such Act.

An individual shall continue to be treated as an eligible TAA wage supplement recipient during the first month that such individual would otherwise cease to be an eligible TAA wage supplement recipient by reason of the preceding sentence.''.

(c) QUALIFIED HEALTH INSURANCE.—Subparagraph (J) of section 35(e)(1) of such Code is amended by striking ''or'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', or'' , and by inserting after clause (iii) the following:

''(iv) in the case of an eligible TAA wage supplement recipient, the benefit described in subsection (c)(5)(B).''.

(d) SUBSIDIZED COVERAGE.—Subparagraph (B) of section 35(f)(1) of such Code is amended—

(1) by inserting ''or an eligible TAA wage supplement recipient'' after ''eligible alternative TAA recipient'' in the matter preceding clause (i), and

(2) by inserting ''OR ELIGIBLE TAA WAGE SUPPLEMENT RECIPIENTS'' after ''ELIGIBLE ALTERNATIVE TAA RECIPIENTS'' in the heading.

(e) ADVANCE PAYMENT OF HCTC.—Paragraph (1) of section 7527(d) of such Code is amended by striking ''or an eligible alternative TAA recipient (as defined in section 35(c)(3))'' and inserting '', an eligible alternative TAA recipient (as defined in section 35(c)(3)), or an eligible TAA wage supplement recipient (as defined in section 35(c)(5))''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 303. SPECIAL ALLOCATION UNDER NEW MARKETS TAX CREDIT IN CONNECTION WITH TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Section 45D of the Internal Revenue Code of 1986 is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

''(i) SPECIAL ALLOCATIONS IN CONNECTION WITH TRADE ADJUSTMENT ASSISTANCE.—

''(1) ALLOCATIONS.—The new markets tax credit limitation otherwise determined under subsection (f)(1) shall be increased by an amount equal to $500,000,000 for 2008 to be allocated among qualified community development entities to make capital or equity investments in, or loans to, qualified TAA businesses.

''(2) RESTRICTION ON DESIGNATION.—A qualified community development entity receiving an allocation under paragraph (1) may not use such allocation to designate any qualified equity investment under subsection (b)(1)(C) unless substantially all of such investment is used for the purpose described in paragraph (1).

''(3) QUALIFIED TAA BUSINESSES.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified TAA business' means, with respect to any taxable year—

''(i) any qualified active low-income community business (as defined in subsection (d)(2)) which meets the requirements of clause (i) or (ii) of subparagraph (B) for such taxable year, and

''(ii) any specified TAA business.

''(B) SPECIFIED TAA BUSINESS.—The term 'specified TAA business' means, with respect to any taxable year, any corporation (including a nonprofit corporation) or partnership if—

''(i) not less than 40 percent of the individuals hired by such entity during such taxable year were eligible TAA recipients (as defined in section 35(c)(2)) or eligible alternative TAA recipients (as defined in section 35(c)(3)) with respect to any month beginning during the 1-year period ending on the hiring date (as defined in section 51(d)) of such individual,

''(ii) such entity is certified by the Secretary of Commerce as eligible to apply for adjustment assistance under chapter 3 of title II of the Trade Act of 1974 with respect to any portion of the taxable year in which the investment or loan referred to in paragraph (1) is made, and

''(iii) the Secretary determines that such entity will utilize the assistance provided pursuant to this section in a manner consistent with the purposes of subsection (d)(2)(A).

The requirement of clause (i) shall be treated as satisfied for any taxable year if such clause would be satisfied if all individuals

hired by such entity during such taxable year and all preceding taxable years which are not before the taxable year in which the investment or loan referred to in paragraph (1) was made were taken into account.

''(4) REALLOCATIONS.—Subsection (f)(3) shall be applied separately with respect to the amount of the increase under paragraph (1).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to allocations made after December 31, 2007.

SEC. 304. EXPEDITED REEMPLOYMENT DEMONSTRATION PROJECTS.

Title III of the Social Security Act (42 U.S.C. 501 and following) is amended by adding at the end the following:

''DEMONSTRATION PROJECTS

''SEC. 305. (a) The Secretary of Labor may enter into agreements, with States submitting an application described in subsection (b), for the purpose of allowing such States to conduct demonstration projects to test and evaluate measures designed—

''(1) to expedite, such as through the use of a wage insurance program, the reemployment of individuals who establish initial eligibility for unemployment compensation under the State law of such State; or

''(2) to improve the effectiveness of such State in carrying out its State law.

''(b) The Governor of any State desiring to conduct a demonstration project under this section shall submit an application to the Secretary of Labor at such time, in such manner, and including such information as the Secretary of Labor may require. Any such application shall, at a minimum, include—

''(1) a general description of the proposed demonstration project, including the authority (under the laws of the State) for the measures to be tested, as well as the period of time during which such demonstration project would be conducted;

''(2) if a waiver under subsection (c) is requested, the specific aspects of the project to which the waiver would apply and the reasons why such waiver is needed;

''(3) a description of the goals and the expected programmatic outcomes of the demonstration project, including how the project would contribute to the objective described in subsection (a)(1), subsection (a)(2), or both;

''(4) assurances (accompanied by supporting analysis) that the demonstration project would not result in any increased net costs to the State's account in the Unemployment Trust Fund;

''(5) a description of the manner in which the State—

''(A) will conduct an impact evaluation, using a control or comparison group or other valid methodology, of the demonstration project; and

''(B) will determine the extent to which the goals and outcomes described in paragraph (3) were achieved; and

''(6) assurances that the State will provide any reports relating to the demonstration project, after its approval, as the Secretary of Labor may require.

''(c) The Secretary of Labor may waive any of the requirements of section 3304(a)(4) of the Internal Revenue Code of 1986 or of paragraph (1) or (5) of section 303(a), to the extent and for the period the Secretary of Labor considers necessary to enable the State to carry out a demonstration project under this section.

''(d) A demonstration project under this section—

''(1) may be commenced any time after September 30, 2007; and

''(2) may not, under subsection (b), be approved for a period of time greater than 2 years, subject to extension upon request of the Governor of the State involved for such additional period as the Secretary of Labor may agree to, except that in no event may a demonstration project under this section be conducted after the end of the 5-year period beginning on the date of the enactment of this section.

''(e) The Secretary of Labor shall, in the case of any State for which an application is submitted under subsection (b)—

''(1) notify the State as to whether such application has been approved or denied within 90 days after receipt of a complete application, and

''(2) provide public notice of the decision within 10 days after providing notification to the State in accordance with paragraph (1).

Public notice under paragraph (2) may be provided through the Internet or other appropriate means. Any application under this section that has not been approved within such 90 days shall be treated as denied.

''(f) The Secretary of Labor may terminate a demonstration project under this section if the Secretary determines that the State has not complied with the terms and conditions of the project.''.

SEC. 305. INCREASE IN PERCENTAGE OF TAA AND PBGC HEALTH INSURANCE TAX CREDIT.

(a) IN GENERAL.—Subsection (a) of section 35 of the Internal Revenue Code of 1986 is amended by striking ''65 percent'' and inserting ''70 percent''.

(b) CONFORMING AMENDMENT.—Subsection (b) of section 7527 of such Code is amended by striking ''65 percent'' and inserting ''70 percent''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2007, in taxable years ending after such date.

SEC. 306. COLLECTION OF UNEMPLOYMENT COMPENSATION DEBTS.

(a) IN GENERAL.—Section 6402 of the Internal Revenue Code (relating to authority to make credits or refunds) is amended by redesignating subsections (f) through (k) as subsections (g) through (l), respectively, and by inserting after subsection (e) the following new subsection:

''(f) COLLECTION OF UNEMPLOYMENT COMPENSATION DEBTS.—

''(1) IN GENERAL.—Upon receiving notice from any State that a named person owes a covered unemployment compensation debt to such State, the Secretary shall, under such conditions as may be prescribed by the Secretary—

''(A) reduce the amount of any overpayment payable to such person by the amount of such covered unemployment compensation debt;

''(B) pay the amount by which such overpayment is reduced under subparagraph (A) to such State and notify such State of such person's name, taxpayer identification number, address, and the amount collected; and

''(C) notify the person making such overpayment that the overpayment has been reduced by an amount necessary to satisfy a covered unemployment compensation debt.

If an offset is made pursuant to a joint return, the notice under subparagraph (B) shall include the names, taxpayer identification numbers, and addresses of each person filing such return and the notice under subparagraph (C) shall include information related to the rights of a spouse of a person subject to such an offset.

''(2) PRIORITIES FOR OFFSET.—Any overpayment by a person shall be reduced pursuant to this subsection—

''(A) after such overpayment is reduced pursuant to—

''(i) subsection (a) with respect to any liability for any internal revenue tax on the part of the person who made the overpayment;

''(ii) subsection (c) with respect to past-due support; and

''(iii) subsection (d) with respect to any past-due, legally enforceable debt owed to a Federal agency; and

''(B) before such overpayment is credited to the future liability for any Federal internal revenue tax of such person pursuant to subsection (b).

If the Secretary receives notice from a State or States of more than one debt subject to paragraph (1) or subsection (e) that is owed by a person to such State or States, any overpayment by such person shall be applied against such debts in the order in which such debts accrued.

''(3) NOTICE; CONSIDERATION OF EVIDENCE.—No State may take action under this subsection until such State—

''(A) notifies the person owing the covered unemployment compensation debt that the State proposes to take action pursuant to this section;

''(B) provides such person at least 60 days to present evidence that all or part of such liability is not legally enforceable;

''(C) considers any evidence presented by such person and determines that an amount of such debt is legally enforceable; and

''(D) satisfies such other conditions as the Secretary may prescribe to ensure that the determination made under subparagraph (C) is valid and that the State has made reasonable efforts to obtain payment of such covered unemployment compensation debt.

''(4) COVERED UNEMPLOYMENT COMPENSATION DEBT.—For purposes of this subsection, the term 'covered unemployment compensation debt' means—

''(A) a past-due debt for erroneous payment of unemployment compensation which has become final under the law of a State certified by the Secretary of Labor pursuant to section 3304 and which remains uncollected;

''(B) contributions due to the unemployment fund of a State for which the State has determined the person to be liable; and

''(C) any penalties and interest assessed on such debt.

''(5) REGULATIONS.—

''(A) IN GENERAL.—The Secretary may issue regulations prescribing the time and manner in which States must submit notices of covered unemployment compensation debt and the necessary information that must be contained in or accompany such notices. The regulations may specify the minimum amount of debt to which the reduction procedure established by paragraph (1) may be applied.

''(B) FEE PAYABLE TO SECRETARY.—The regulations may require States to pay a fee to the Secretary, which may be deducted from amounts collected, to reimburse the Secretary for the cost of applying such procedure. Any fee paid to the Secretary pursuant to the preceding sentence shall be used to reimburse appropriations which bore all or part of the cost of applying such procedure.

''(C) SUBMISSION OF NOTICES THROUGH SECRETARY OF LABOR.—The regulations may include a requirement that States submit notices of covered unemployment compensation debt to the Secretary via the Secretary of Labor in accordance with procedures established by the Secretary of Labor. Such procedures may require States to pay a fee to the Secretary of Labor to reimburse the Secretary of Labor for the costs of applying this subsection. Any such fee shall be established in consultation with the Secretary of the Treasury. Any fee paid to the Secretary of Labor may be deducted from amounts collected and shall be used to reimburse the appropriation account which bore all or part of the cost of applying this subsection.

''(6) ERRONEOUS PAYMENT TO STATE.—Any State receiving notice from the Secretary that an erroneous payment has been made to such State under paragraph (1) shall pay promptly to the Secretary, in accordance with such regulations as the Secretary may prescribe, an amount equal to the amount of such erroneous payment (without regard to whether any other amounts payable to such State under such paragraph have been paid to such State).''.

(b) DISCLOSURE OF CERTAIN INFORMATION TO STATES REQUESTING REFUND OFFSETS FOR LEGALLY ENFORCEABLE STATE UNEMPLOYMENT COMPENSATION DEBT.—

(1) GENERAL RULE.—Paragraph (3) of section 6103(a) of such Code is amended by inserting ''(10),'' after ''(6),''.

(2) DISCLOSURE TO DEPARTMENT OF LABOR AND ITS AGENT.—Paragraph (10) of section 6103(l) of such Code is amended—

(A) by striking ''(c), (d), or (e)'' each place it appears in the heading and text and inserting ''(c), (d), (e), or (f)'',

(B) in subparagraph (A) by inserting '', to officers and employees of the Department of Labor and its agent for purposes of facilitating the exchange of data in connection with a request made under subsection (f)(5) of section 6402,'' after ''section 6402'', and

(C) in subparagraph (B) by inserting '', and any agents of the Department of Labor,'' after ''agency'' the first place it appears.

(3) SAFEGUARDS.—Paragraph (4) of section 6103(p) of such Code is amended—

(A) in the matter preceding subparagraph (A), by striking ''(l)(16),'' and inserting ''(l)(10), (16),'';

(B) in subparagraph (F)(i), by striking ''(l)(16),'' and inserting ''(l)(10), (16),''; and

(C) In the matter following subparagraph (f)(iii)—

(i) in each of the first two places it appears, by striking ''(l)(16),'' and inserting ''(l)(10), (16),'';

(ii) by inserting ''(10),'' after ''paragraph (6)(A),''; and

(iii) in each of the last two places it appears, by striking ''(l)(16)'' and inserting ''(l)(10) or (16)''.

(c) EXPENDITURES FROM STATE FUND.—Section 3304(a)(4) of such Code is amended—

(1) in subparagraph (E), by striking ''and'' after the semicolon;

(2) in subparagraph (F), by inserting ''and'' after the semicolon; and

(3) by adding at the end the following new subparagraph:

''(G) WITH RESPECT TO AMOUNTS OF COVERED UNEMPLOYMENT COMPENSATION DEBT (AS DEFINED IN SECTION 6402(F)(4)) COLLECTED UNDER SECTION 6402(F).—

''(i) amounts may be deducted to pay any fees authorized under such section; and

''(ii) the penalties and interest described in section 6402(f)(4)(B) may be transferred to the appropriate State fund into which the State would have deposited such amounts had the person owing the debt paid such amounts directly to the State;''.

(d) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 6402 of such Code is amended by striking ''(c), (d), and (e),'' and inserting ''(c), (d), (e), and (f)''.

(2) Paragraph (2) of section 6402(d) of such Code is amended by striking ''and before such overpayment is reduced pursuant to subsection (e)'' and inserting ''and before such overpayment is reduced pursuant to subsections (e) and (f)''.

(3) Paragraph (3) of section 6402(e) of such Code is amended in the last sentence by inserting ''or subsection (f)'' after ''paragraph (1)''.

(4) Subsection (g) of section 6402 of such Code, as redesignated by subsection (a), is amended by striking ''(c), (d), or (e)'' and inserting ''(c), (d), (e), or (f)''.

(5) Subsection (i) of section 6402 of such Code, as redesignated by subsection (a), is amended by striking ''subsection (c) or (e)'' and inserting ''subsection (c), (e), or (f)''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to refunds payable under section 6402 of the Internal Revenue Code of 1986 on or after the date of enactment of this Act.

SEC. 307. OFFSETS.

(a) TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.—Subparagraph (B) of section 401(1) of the Tax Increase Prevention and Reconciliation Act of 2005 is amended by striking ''115 percent'' and inserting ''127.50 percent''.

(b) CUSTOMS USER FEES.—Section 13031(j)(3)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)(A)) is amended by striking ''October 21, 2014'' and inserting ''February 17, 2015''.

(c) TIMEFRAME FOR MEDICARE PART A AND B PAYMENTS.—Notwithstanding sections 1816(c) and 1842(c)(2) of the Social Security Act or any other provision of law—

(1) any payment from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i) or from the Federal Supplementary Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395t) for claims submitted under part A or B of title XVIII of such Act for items and services furnished under such part A or B, respectively, that would otherwise be payable during the period beginning on September 22, 2012, and ending on September 30, 2012, shall be paid on the first business day of October 2012; and

(2) no interest or late penalty shall be paid to an entity or individual for any delay in a payment by reason of the application of paragraph (1).

TITLE IV—WORKFORCE INVESTMENT IMPROVEMENT

SEC. 401. SHORT TITLE.

This title may be cited as the ''Workforce Investment Improvement Act of 2007''.

SEC. 402. REFERENCES.

Except as otherwise expressly provided, wherever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be considered to be made to a section or other provision of the Workforce Investment Act of 1998 (20 U.S.C. 9201 et seq.).

Subtitle A—Amendments to Title I of the Workforce Investment Act of 1998

SEC. 411. DEFINITIONS.

Section 101 (29 U.S.C. 2801) is amended—

(1) by striking paragraphs (13) and (24) and redesignating paragraphs (1) through (12) as paragraphs (3) through (14), and paragraphs (14) through (23) as paragraphs (15) through (24), respectively;

(2) by inserting after ''In this title:'' the following new paragraphs:

''(1) ACCRUED EXPENDITURES.—The term 'accrued expenditures' means charges incurred by recipients of funds under this title for a given period requiring the provision of funds for goods or other tangible property received; services performed by employees, contractors, subgrantees, subcontractors, and other payees; and other amounts becoming owed under programs assisted under this title for which no current services or performance is required, such as annuities, insurance claims, and other benefit payments.

''(2) ADMINISTRATIVE COSTS.—The term 'administrative costs' means expenditures incurred by State and local workforce investment boards, direct recipients (including State grant recipients under subtitle B and recipients of awards under subtitle D), local grant recipients, local fiscal agents or local grant subrecipients, and one-stop operators in the performance of administrative functions and in carrying out activities under this title which are not related to the direct provision of workforce investment services (including services to participants and employers). Such costs include both personnel and non-personnel and both direct and indirect.'';

(3) in paragraph (6) (as so redesignated), by inserting ''(or such other level as the Governor may establish)'' after ''8th grade level'';

(4) in paragraph (10)(C) (as so redesignated), by striking ''not less than 50 percent of the cost of the training'' and inserting ''a significant portion of the cost of training, as determined by the local board (or, in the case of an employer in multiple local areas in the State, as determined by the Governor), taking into account the size of the employer and such other factors as the local board determines to be appropriate''; and

(5) in paragraph (11) (as so redesignated)—

(A) in subparagraph (A)(ii)(II), by striking ''section 134(c)'' and inserting ''section 121(e)'';

(B) in subparagraph (B)(iii), by striking ''intensive services described in section 134(d)(3)'' and inserting ''work ready services described in section 134(c)(3)(M) through (U)'';

(C) in subparagraph (C), by striking ''or'' after the semicolon;

(D) in subparagraph (D), by striking the period and inserting ''; or''; and

(E) by adding at the end the following:

''(E)(i) is the spouse of a member of the Armed Forces on active duty for a period of more than 30 days (as defined in section 101(d)(2) of title 10, United States Code) who has experienced a loss of employment as a direct result of relocation to accommodate a permanent change in duty station of such member; or

''(ii) is the spouse of a member of the Armed Forces on active duty who meets the criteria described in paragraph (12)(B).'';

(6) in paragraph (12)(A) (as redesignated)—

(A) by striking ''and'' after the semicolon and inserting ''or'';

(B) by striking ''(A)'' and inserting ''(A)(i)''; and

(C) by adding at the end the following:

''(ii) is the dependent spouse of a member of the Armed Forces on active duty for a period of more than 30 days (as defined in section 101(d)(2) of title 10, United States Code) whose family income is significantly reduced because of a deployment (as defined in section 991(b) of title 10, United States Code, or pursuant to paragraph (4) of such section), a call or order to active duty pursuant to a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, a permanent change of station, or the service-connected (as defined in section 101(16) of title 38, United States Code) death or disability of the member; and'';

(7) in paragraph (13) (as so redesignated), by inserting ''or regional'' after ''local'' each place it appears;

(8) in paragraph (14) (as so redesignated)—

(A) in subparagraph (A), by striking ''section 122(e)(3)'' and inserting ''section 122''; and

(B) by striking subparagraph (B), and inserting the following:

''(B) work ready services, means a provider who is identified or awarded a contract as described in section 134(c)(3);''.

(9) in paragraph (25)—

(A) in subparagraph (B), by striking ''higher of—'' and all that follows through clause (ii) and inserting ''poverty line for an equivalent period;''; and

(B) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through

(G), respectively, and inserting after subparagraph (C) the following:

''(D) receives or is eligible to receive free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);'';

(10) in paragraph (32) by striking ''the Republic of the Marshall Islands, the Federated States of Micronesia,''; and

(11) by striking paragraph (33) and redesignating paragraphs (34) through (53) as paragraphs (33) through (52), respectively.

SEC. 412. PURPOSE.

Section 106 (29 U.S.C. 2811) is amended by inserting at the end the following: ''It is also the purpose of this subtitle to provide workforce investment activities in a manner that promotes the informed choice of participants and actively involves participants in obtaining training services that will increase their skills and improve their employment outcomes.''.

SEC. 413. STATE WORKFORCE INVESTMENT BOARDS.

(a) MEMBERSHIP.—

(1) IN GENERAL.—Section 111(b) (29 U.S.C. 2821(b)) is amended—

(A) by amending paragraph (1)(C) to read as follows:

''(C) representatives appointed by the Governor, who are—

''(i)(I) the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) and carried out by one-stop partners;

''(II) in any case in which no lead State agency official has responsibility for such a program or activity, a representative in the State with expertise relating to such program or activity; and

''(III) if not included under subclause (I), the director of the State unit, defined in section 7(8)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 705(8)(B)) except that in a State that has established 2 or more designated State units to administer the vocational rehabilitation program, the board representative shall be the director of the designated State unit that serves the most individuals with disabilities in the State;

''(ii) the State agency officials responsible for economic development;

''(iii) representatives of business in the State who—

''(I) are owners of businesses, chief executive or operating officers of businesses, and other business executives or employers with optimum policy making or hiring authority, including members of local boards described in section 117(b)(2)(A)(i);

''(II) represent businesses with employment opportunities that reflect employment opportunities in the State; and

''(III) are appointed from among individuals nominated by State business organizations and business trade associations;

''(iv) chief elected officials (representing both cities and counties, where appropriate);

''(v) one or more representatives of labor organizations, who have been nominated by State labor federations or labor organizations within the State; and

''(vi) such other representatives and State agency officials as the Governor may designate.''; and

(B) in paragraph (3), by striking ''paragraph (1)(C)(i)'' and inserting ''paragraph (1)(C)(iii)''.

(2) CONFORMING AMENDMENT.—Section 111(c) (29 U.S.C. 2811(c)) is amended by striking ''subsection (b)(1)(C)(i)'' and inserting ''subsection (b)(1)(C)(iii)''.

(b) FUNCTIONS.—Section 111(d) (29 U.S.C. 2811(d)) is amended—

(1) in paragraph (2), by striking ''section 134(c)'' and inserting ''section 121(e)'';

(2) by amending paragraph (3) to read as follows:

''(3) development and review of statewide policies affecting the integrated provision of services through the one-stop delivery system described in section 121 within the State, including—

''(A) the development of objective criteria and procedures for, and the issuance of, certifications of one-stop centers;

''(B) the criteria for the allocation of one-stop center infrastructure funding under section 121(h), and oversight of the use of such funds;

''(C) policies relating to the appropriate roles and contributions of one-stop partner programs within the one-stop delivery system, including approaches to facilitating equitable and efficient cost allocation in the one-stop delivery system, consistent with section 121;

''(D) strategies for providing effective outreach to individuals and employers who could benefit from services provided through the one-stop delivery system; and

''(E) strategies for technology improvements to facilitate access to services provided through the one-stop delivery system, in remote areas, and for individuals with disabilities, which may be utilized throughout the State;

''(F) identification and dissemination of information on best practices for effective operation of one-stop centers, including use of innovative business outreach, partnerships, and service delivery strategies, including for hard-to-serve populations; and

''(G) carrying out of such other matters as may promote statewide objectives for, and enhance the performance of, the one-stop delivery system;'';

(3) in paragraph (4), by inserting ''and the development of State criteria relating to the appointment and certification of local boards under section 117'' after ''section 116'';

(4) in paragraph (5), by striking ''128(b)(3)(B) and 133(b)(3)(B)'' and inserting ''sections 128(b)(3) and 133(b)(3)''; and

(5) in paragraph (8)—

(A) by striking ''employment statistics system'' and inserting ''workforce and labor market information system''; and

(B) by striking ''and'' after the semicolon;

(6) in paragraph (9)—

(A) by striking ''section 503'' and inserting ''section 136(i)''; and

(B) by striking the period and inserting ''; and''; and

(7) by inserting the following new paragraph after paragraph (9):

''(10) reviewing and providing comment on the State plans of all one-stop partner programs, where applicable, in order to provide effective strategic leadership in the development of a high-quality, comprehensive statewide workforce investment system.''.

(c) ELIMINATION OF ALTERNATIVE ENTITY AND PROVISION OF AUTHORITY TO HIRE STAFF.—Section 111(e) (29 U.S.C. 2821(e)) is amended to read as follows:

''(e) AUTHORITY TO HIRE STAFF.—The State board may hire staff to assist in carrying out the functions described in subsection (d).''.

(d) CONFLICT OF INTEREST.—Section 111(f)(1) (29 U.S.C. 2821(f)(1)) is amended by inserting ''or participate in action taken'' after ''vote''.

(e) SUNSHINE PROVISION.—Section 111(g) (29 U.S.C. 2821(g)) is amended—

(1) by inserting '', and modifications to the State plan,'' after ''State plan'' ; and

(2) by inserting '', and modifications to the State plan'' after ''the plan''.

SEC. 414. STATE PLAN.

(a) PLANNING CYCLE.—Section 112(a) (29 U.S.C. 2822(a)) is amended by striking ''5-year strategy'' and inserting ''2-year strategy''.

(b) CONTENTS.—Section 112(b) (29 U.S.C. 2822(b)) is amended—

(1) by amending paragraph (7) to read as follows:

''(7) a description of the State criteria for determining the eligibility of training providers in accordance with section 122, including how the State will take into account the performance of providers and whether the training programs relate to occupations that are in demand;'';

(2) in paragraph (8)—

(A) in subparagraph (A)—

(i) in clause (ix), by striking ''and'' after the semicolon;

(ii) by adding the following new clause after clause (x):

''(xi) programs authorized under title II of the Social Security Act (42 U.S.C. 401 et seq.) (related to Federal old-age, survivors, and disability insurance benefits), title XVI of such Act (42 U.S.C. 1381 et seq.) (relating to supplemental security income), title XIX of such Act (42 U.S.C. 1396 et seq.) (relating to Medicaid), and title XX of such Act (42 U.S.C. 1397 et seq.) (relating to block grants to States for social services), programs authorized under title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796 et seq.), and programs carried out by State agencies relating to mental retardation and developmental disabilities; and'';

(B) by amending subparagraph (B) to read as follows:

''(B) a description of common data collection and reporting processes used for the programs and activities described in subparagraph (A) that are one-stop partners, including assurances that such processes utilize quarterly wage records for performance measures relating to entry into employment, retention in employment, and average earnings that are applicable to such programs or activities, or, if such records are not being used, an identification of the barriers to such use and a description of how the State will address such barriers within one year of the approval of the plan;''; and

(3) in paragraph (11), by inserting '', including controls and procedures to ensure that the limitations on the costs of administration are not exceeded''.

(4) in paragraph (12)(A), by striking ''sections 128(b)(3)(B) and 133(b)(3)(B)'' and inserting ''sections 128(b)(3) and 133(b)(3)'';

(5) in paragraph (14), by striking ''section 134(c)'' and inserting ''section 121(e)'';

(6) in paragraph (17)(A)—

(A) in clause (iii) by striking ''and'';

(B) by amending clause (iv) to read as follows:

''(iv) how the State will serve the employment and training needs of dislocated workers (including displaced homemakers), low income individuals (including recipients of public assistance), individuals with limited English proficiency, homeless individuals, individuals training for nontraditional employment, and other individuals with multiple barriers to employment (including older individuals); and''; and

(C) by inserting after clause (iv) the following:

''(v) how the State will serve the employment and training needs of individuals with disabilities, consistent with section 188 and Executive Order 13217 (42 U.S.C. 12131 note; relating to community-based alternatives for individuals with disabilities) including the provision of outreach, intake, assessments, and service delivery, the development of performance measures established under section 136, the training of staff, and other aspects of accessibility to program services, consistent with sections 504 and 508 of the Rehabilitation Act of 1973; and'';

(7) in paragraph (17)(B), by striking ''to the extent practicable'' and inserting ''in accordance with the requirements of the Jobs for Veterans Act (PL 107–288)'';

(8) in paragraph (18)(D), by striking ''youth opportunity grants'' and inserting ''youth challenge grants''; and

(9) by adding at the end the following new paragraphs:

''(19) a description of the process and methodology for determining one-stop partner program contributions for the cost of the infrastructure of one-stop centers under section 121(h)(1) and of the formula for allocating such infrastructure funds to local areas under section 121(h)(3);

''(20) a description of the strategies and programs providing outreach to businesses, identifying workforce needs of businesses in the State, and ensuring that such needs will be met (including the needs of small businesses), which may include—

''(A) implementing innovative programs and strategies designed to meet the needs of all businesses in the State, including small businesses, which may include incumbent worker training programs, sectoral and industry cluster strategies, regional skills alliances, career ladder programs, utilization of effective business intermediaries, and other business services and strategies that better engage employers in workforce investment activities and make the statewide workforce investment system more relevant to the needs of State and local businesses, consistent with the objectives of this title; and

''(B) providing incentives and technical assistance to assist local areas in more fully engaging all employers, including small employers, in local workforce investment activities, to make the workforce investment system more relevant to the needs of area businesses, and to better coordinate workforce investment, economic development, and postsecondary education and training efforts to contribute to the economic well-being of the local area and region, as determined appropriate by the local board;

''(21) a description of how the State will utilize technology to facilitate access to services in remote areas which may be utilized throughout the State;

''(22) a description of the State strategy and assistance to be provided for encouraging regional cooperation within the State and across State borders as appropriate; and

''(23) a description of the actions that will be taken by the State to foster communication and partnerships with non-profit organizations (including community, faith-based, and philanthropic organizations) that provide employment-related, training, and complementary services, in order to enhance the quality and comprehensiveness of services available to participants under this title.''.

(c) MODIFICATION TO PLAN.—Section 112(d) (29 U.S.C. 2822(d)) is amended by striking ''5-year period'' and inserting ''2-year period''.

SEC. 415. LOCAL WORKFORCE INVESTMENT AREAS.

(a) DESIGNATION OF AREAS.—

(1) CONSIDERATIONS.—Section 116(a)(1)(B) (29 U.S.C. 2831(a)(1)(B)) is amended by adding at the end the following clause:

''(vi) The extent to which such local areas will promote efficiency in the administration and provision of services.''.

(2) AUTOMATIC DESIGNATION.—Section 116(a)(2) (29 U.S.C. 2831(a)(2)) is amended to read as follows:

''(2) AUTOMATIC DESIGNATION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B) of this paragraph and subsection (b), the Governor shall approve a request for designation as a local area from—

''(i) any unit of general local government with a population of 500,000 or more; and

''(ii) an area served by a rural concentrated employment program grant recipient that served as a service delivery area or substate area under the Job Training Partnership Act (29 U.S.C. 1501 et seq.),

for the 2-year period covered by a State plan under section 112 if such request is made not later than the date of the submission of the State plan.

''(B) CONTINUED DESIGNATION BASED ON PERFORMANCE.—The Governor may deny a request for designation submitted pursuant to subparagraph (A) if such unit of government was designated as a local area for the preceding 2-year period covered by a State plan and the Governor determines that such local area did not perform successfully during such period.''.

(b) SINGLE LOCAL AREA STATES.—Section 116(b) (29 U.S.C. 2831(b)) is amended to read as follows:

''(b) SINGLE LOCAL AREA STATES.—

''(1) CONTINUATION OF PREVIOUS DESIGNATION.—Notwithstanding subsection (a), the Governor of any State that was a single local area for purposes of this title as of July 1, 2007, may continue to designate the State as a single local area for purposes of this title if the Governor identifies the State as a local area in the State plan under section 112(b)(5).

''(2) NEW DESIGNATION.—The Governor of a State not described in paragraph (1) may designate the State as a single local area if, prior to the submission of the State plan or modification to such plan so designating the State, no local area meeting the requirements for automatic designation under subsection (a) requests such designation as a separate local area.

''(3) EFFECT ON LOCAL PLAN.—In any case in which the local area is the State pursuant to this subsection, the local plan under section 118 shall be submitted to the Secretary for approval as part of the State plan under section 112.''.

(c) REGIONAL PLANNING.—Section 116(c)(1) (29 U.S.C. 2831(c)(1)) is amended by adding at the end the following: ''The State may require the local boards for the designated region to prepare a single regional plan that incorporates the elements of the local plan under section 118 and that is submitted and approved in lieu of separate local plans under such section.''.

SEC. 416. LOCAL WORKFORCE INVESTMENT BOARDS.

(a) COMPOSITION.—Section 117(b)(2) (29 U.S.C. 2832(b)(2)) is amended—

(1) in subparagraph (A)—

(A) in clause (i)(II), by inserting '', businesses that are in the leading industries in the local area, and large and small businesses in the local area'' after ''local area'';

(B) by amending clause (ii) to read as follows:

''(ii) a superintendent of the local secondary school system and the president or chief executive officer of a postsecondary educational institution serving the local area (including community colleges, where such entities exist);'';

(C) in clause (iii)—

(i) by striking ''representatives'' and inserting ''one or more representatives''; and

(ii) by inserting ''or by labor organizations in the local area'' after ''federations'';

(D) in clause (iv)—

(i) by striking ''representatives'' and inserting ''one or more representatives''; and

(ii) by striking the semicolon and inserting ''and faith-based organizations; and'';

(E) in clause (v) by inserting ''one or more'' before ''representatives''; and

(F) by striking clause (vi); and

(2) in subparagraph (B), by striking the period and inserting ''; and''; and

(3) by adding at the end the following subparagraph:

''(C) except for the individuals described in subparagraph(A)(ii), shall not include any individual who is employed by an entity receiving funds for the provision of services under chapters 4 or 5.''.

(b) AUTHORITY OF BOARD MEMBERS.—Section 117(b)(3) (29 U.S.C. 2832(b) is amended—

(1) in the heading, by inserting ''**AND REPRESENTATION**'' after ''**MEMBERS**''; and

(2) by adding at the end the following: ''The members of the board shall represent diverse geographic sections within the local area.''.

(c) FUNCTIONS.—Section 117(d) (29 U.S.C. 2832(d)) is amended—

(1) in paragraph (2)(B), by striking ''by awarding grants'' and all that follows through ''youth council'';

(2) by striking paragraph (2)(D) and inserting the following:

''(D) IDENTIFICATION OF ELIGIBLE PROVIDERS OF WORK READY SERVICES.—If the one-stop operator does not provide the work ready services described in section 134(c)(3)(M) through (U) in the local area, the local board shall identify eligible providers of such services in the local area by awarding contracts.'';

(3) in paragraph (3)(B) by striking clause (ii) and inserting the following:

''(ii) STAFF.—The local board may employ staff to assist in carrying out the functions described in this subsection.'';

(4) in paragraph (4) by inserting '', and ensure the appropriate use and management of the funds provided under this title for such programs, activities, and system'' after ''area'';

(5) in paragraph (6)—

(A) by striking ''EMPLOYMENT STATISTICS SYSTEM'' and inserting ''WORKFORCE AND LABOR MARKET INFORMATION SYSTEM''; and

(B) by striking ''employment statistics system'' and inserting ''workforce and labor market information system'';

(6) by amending paragraph (8) to read as follows:

''(8) CONVENING, BROKERING, AND LEVERAGING.—The local board shall support a comprehensive workforce investment system for the local area and promote the participation by private sector employers, service providers, and other stakeholders in such system. The Board shall ensure the effective provision, through the system, of convening, brokering, and leveraging activities, through intermediaries such as the one-stop operator in the local area or through other organizations, to assist such employers in meeting hiring needs. Such activities may include—

''(A) convening private sector employers, including small employers, labor, economic development, and education leaders in the area to align system missions and services, and to identify and meet the employment, education, and skills training needs of the local area in support of regional and local economic growth strategies;

''(B) providing leadership in the design and implementation of a comprehensive workforce development system that extends beyond those programs authorized under title I of this Act (including programs identified in section 121(b)) for the local area;

''(C) brokering relationships and service arrangements across system stakeholders and partners; and

''(D) leveraging resources other than those provided under title I of this Act, including public and private resources, to significantly expand resources available for employment and training activities identified as necessary in the local area.'';

(7) by adding at the end the following:

''(9) TECHNOLOGY IMPROVEMENTS.—The local board shall develop strategies for technology improvements to facilitate access to services, in remote areas, for services authorized under this subtitle and carried out in the local area.''.

(d) LIMITATIONS.—Section 117(f) (29 U.S.C. 2832(f)) is amended by striking paragraph (2) and inserting the following:

''(2) WORK READY SERVICES, DESIGNATION, OR CERTIFICATION AS ONE-STOP OPERATORS.—A local board may provide work ready services described in section (c)(d)(2) through a one-stop delivery system described in section 121 or be designated or certified as a one-stop operator only with the agreement of the chief elected official and the Governor.''.

(e) CONFLICT OF INTEREST.—Section 117(g)(1) (29 U.S.C. 2832(g)(1)) is amended by inserting ''or participate in action taken'' after ''vote''.

(f) AUTHORITY TO ESTABLISH COUNCILS AND ELIMINATION OF REQUIREMENT FOR YOUTH COUNCILS.—Section 117(h) (29 U.S.C. 2832(h)) is amended to read as follows:

''(h) ESTABLISHMENT OF COUNCILS.—The local board may establish councils to provide information and advice to assist the local board in carrying out activities under this title. Such councils may include a council composed of one-stop partners to advise the local board on the operation of the one-stop delivery system, a youth council composed of experts and stakeholders in youth programs to advise the local board on activities for youth, and such other councils as the local board determines are appropriate.''.

(g) REPEAL OF ALTERNATIVE ENTITY PROVISION.—Section 117 (29 U.S.C. 2832) is further amended by striking subsection (i).

SEC. 417. LOCAL PLAN.

(a) PLANNING CYCLE.—Section 118(a) (29 U.S.C. 2833(a)) is amended by striking ''5-year'' and inserting ''2-year''.

(b) CONTENTS.—Section 118(b) (29 U.S.C. 2833(b)) is amended—

(1) by amending paragraph (2) to read as follows:

''(2) a description of the one-stop delivery system to be established or designated in the local area, including a description of how the local board will ensure the continuous improvement of eligible providers of services through the system and ensure that such providers meet the employment needs of local employers and participants;'';

(2) in paragraph (4)—

(A) by striking ''and dislocated worker''; and

(B) by inserting before the semicolon '', including a description of how the local area will implement the requirements of section 134(c)(4)(G) relating to ensuring that training services are linked to occupations that are in demand'';

(3) in paragraph (5), by striking ''statewide rapid response activities'' and inserting ''statewide activities'';

(4) in paragraph (9), by striking ''; and'' and inserting a semicolon; and

(5) by redesignating paragraph (10) as paragraph (13) and inserting after paragraph (9) the following:

''(10) a description of the strategies and services that will be initiated in the local area to more fully engage all employers, including small employers, in workforce investment activities, to make the workforce investment system more relevant to the needs of area businesses, and to better coordinate workforce investment and economic development efforts, which may include the implementation of innovative initiatives such as incumbent worker training programs, sectoral and industry cluster strategies, regional skills alliance initiatives, career ladder programs, utilization of effective business intermediaries, and other business services and strategies designed to meet the needs of area employers and contribute to the economic well-being of the local area, as determined appropriate by the local board, consistent with the objectives of this title;

''(11) a description of how the local board will facilitate access to services provided through the one-stop delivery system involved in remote areas, including facilitating access through the use of technology;

''(12) how the local area will serve the employment and training needs of individuals with disabilities, consistent with section 188 and Executive Order 13217 (42 U.S.C. 12131 *note*) including the provision of outreach, intake, assessments, and service delivery, the development of performance measures, the training of staff, and other aspects of accessibility to program services, consistent with sections 504 and 508 of the Rehabilitation Act of 1973; and''.

SEC. 418. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEMS.

(a) ONE-STOP PARTNERS.—

(1) REQUIRED PARTNERS.—Section 121(b)(1) (29 U.S.C. 2841(b)(1)) is amended—

(A) by striking subparagraph (A) and inserting the following:

''(A) ROLES AND RESPONSIBILITIES OF ONE-STOP PARTNERS.—Each entity that carries out a program or activities described in subparagraph (B) shall—

''(i) provide access through the one-stop delivery system to the programs and activities carried out by the entity, including making the work ready services described in section 134(d)(2) that are applicable to the program of the entity available at the one-stop centers (in addition to any other appropriate locations);

''(ii) use a portion of the funds available to the program of the entity to maintain the one-stop delivery system, including payment of the infrastructure costs of one-stop centers in accordance with subsection (h);

''(iii) enter into a local memorandum of understanding with the local board relating to the operation of the one-stop system that meets the requirements of subsection (c);

''(iv) participate in the operation of the one-stop system consistent with the terms of the memorandum of understanding, the requirements of this title, and the requirements of the Federal laws authorizing the programs carried out by the entity; and

''(v) provide representation on the State board to the extent provided under section 111.'';

(B) in subparagraph (B)—

(i) by striking clauses (ii) and (v);

(ii) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively, and by redesignating clauses (vi) through (xii) as clauses (iv) through (x), respectively;

(iii) in clause (ix) (as so redesignated), by striking ''and'' at the end;

(iv) in clause (x) (as so redesignated), by striking the period and inserting ''; and''; and

(v) by inserting after clause (x)(as so redesignated) the following:

''(xi) programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), subject to subparagraph (C); and

''(xii) programs authorized under section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)), subject to subparagraph (C).''; and

(C) by adding after subparagraph (B) the following:

''(C) DETERMINATION BY THE GOVERNOR.—The program referred to in clauses (xi) and (xii) of subparagraph (B) shall be included as a required partner for purposes of this title in a State unless the Governor of the State notifies the Secretary and the Secretary of Health and Human Services (in the case of the program referred to in clause (xi) of subparagraph (B)), or the Secretary and the Secretary of Agriculture (in the case of the program referred to in clause (xii) of subparagraph (B)) in writing of a determination by the Governor not to include such programs as required partners for purposes of this title in the State.''.

(2) ADDITIONAL PARTNERS.—Section 121(b)(2)(B) (29 U.S.C. 2841(b)(2)(B)) is amended to read as follows:

''(B) PROGRAMS.—The programs referred to in subparagraph (A) may include—

''(i) employment and training programs administered by the Social Security Administration, including the Ticket to Work program (established by Public Law 106–170);

''(ii) employment and training programs carried out by the Small Business Administration;

''(iii) programs under part D of title IV of the Social Security Act (42 U.S.C. 451 et seq.) (relating to child support enforcement);

''(iv) employment, training, and literacy services carried out by public libraries;

''(v) programs carried out in the local area for individuals with disabilities, including programs carried out by State agencies relating to mental health, mental retardation, and developmental disabilities, State Medicaid agencies, State Independent Living Councils, and Independent Living Centers;

''(vi) programs authorized under the National and Community Service Act of 1990 (42 U.S.C. 1250 et seq.);

''(vii) cooperative extension programs carried out by the Department of Agriculture; and

''(viii) other appropriate Federal, State, or local programs, including programs in the private sector.''.

(b) LOCAL MEMORANDUM OF UNDERSTANDING.—Section 121(c)(2)(A) (29 U.S.C. 2841(c)(2)(A)) is amended to read as follows:

''(A) provisions describing—

''(i) the services to be provided through the one-stop delivery system consistent with the requirements of this section, including the manner in which the services will be coordinated through such system;

''(ii) how the costs of such services and the operating costs of such system will be funded, through cash and in-kind contributions, to provide a stable and equitable funding stream for ongoing one-stop system operations, including the funding of the infrastructure costs of one-stop centers in accordance with subsection (h);

''(iii) methods of referral of individuals between the one-stop operator and the one-stop partners for appropriate services and activities; and

''(iv) the duration of the memorandum of understanding and the procedures for amending the memorandum during the term of the memorandum, and assurances that such memorandum shall be reviewed not less than once every 2-year period to ensure appropriate funding and delivery of services; and''.

(c) PROVISION OF SERVICES.—Subtitle B of title I is amended—

(1) in section 121(d)(2), by striking ''section 134(c)'' and inserting ''subsection (e)'';

(2) by striking subsection (e) of section 121;

(3) by moving subsection (c) of section 134 from section 134, redesignating such subsection as subsection (e), and inserting such subsection (as so redesignated) after subsection (d) of section 121; and

(4) by amending subsection (e) of section 121 (as moved and redesignated by paragraph (3))—

(A) in paragraph (1)(A), by striking ''core services described in subsection (d)(2)'' and inserting ''work ready services described in section 134(c)(2)'';

(B) in paragraph (1)(B)—

(i) by striking ''intensive services'';

(ii) by striking ''paragraphs (3) and (4) of subsection (d)'' and inserting ''section 134(c)(4)'';

(iii) by striking ''individual training accounts'' and inserting ''career enhancement accounts''; and

(iv) by striking ''subsection (d)(4)(G)'' and inserting ''section 134(c)(4)(G)'';

(C) in paragraph (1)(C), by striking ''subsection (e)'' and inserting ''section 134(d)'';

(D) in paragraph (1)(D), by striking ''section 121(b)'' and inserting ''subsection (b)'';

(E) by amending paragraph (1)(E) to read as follows:

''(E) shall provide access to the information described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 491–2(e)).''; and

(F) in paragraph (2)(B)(ii)(II), by striking ''core services'' and inserting ''work ready services''.

(d) CERTIFICATION AND FUNDING OF ONE-STOP CENTERS.—Section 121 (as amended by subsections (b) and (c)) is further amended by adding at the end the following new subsections:

''(g) CERTIFICATION OF ONE-STOP CENTERS.—

''(1) IN GENERAL.—

''(A) IN GENERAL.—The State board shall establish objective procedures and criteria for periodically certifying one-stop centers for the purpose of awarding the one-stop infrastructure funding described in subsection (h).

''(B) CRITERIA.—The criteria for certification under this subsection shall include minimum standards relating to the scope and degree of service integration achieved by the centers involving the programs provided by the one-stop partners, and how the centers ensure that such providers meet the employment needs of local employers and participants.

''(C) EFFECT OF CERTIFICATION.—One-stop centers certified under this subsection shall be eligible to receive the infrastructure grants authorized under subsection (h).

''(2) LOCAL BOARDS.—Consistent with the criteria developed by the State, the local board may develop additional criteria of higher standards to respond to local labor market and demographic conditions and trends.

''(h) ONE-STOP INFRASTRUCTURE FUNDING.—

''(1) PARTNER CONTRIBUTIONS.—

''(A) PROVISION OF FUNDS.—Notwithstanding any other provision of law, as determined under subparagraph (B), a portion of the Federal funds provided to the State and areas within the State under the Federal laws authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating additional partner programs described in (b)(2)(B) for a fiscal year shall be provided to the Governor by such programs to carry out this subsection.

''(B) DETERMINATION OF GOVERNOR.—

''(i) IN GENERAL.—Subject to subparagraph (C), the Governor, in consultation with the State board, shall determine the portion of funds to be provided under subparagraph (A) by each one-stop partner and in making such determination shall consider the proportionate use of the one-stop centers by each partner, the costs of administration for purposes not related to one-stop centers for each partner, and other relevant factors described in paragraph (3).

''(ii) SPECIAL RULE.—In those States where the State constitution places policy-making authority that is independent of the authority of the Governor in an entity or official with respect to the funds provided for adult education and literacy activities authorized under title II of this Act and for postsecondary career education activities authorized under the Carl D. Perkins Career and Technical Education Act, the determination described in clause (i) with respect to such programs shall be made by the Governor with the appropriate entity or official with such independent policy-making authority.

''(iii) APPEAL BY ONE-STOP PARTNERS.—The Governor shall establish a procedure for the one-stop partner administering a program described in subsection (b) to appeal a determination regarding the portion of funds to be contributed under this paragraph on the basis that such determination is inconsistent with the criteria described in the State plan or with the requirements of this paragraph. Such procedure shall ensure prompt resolution of the appeal.

''(C) LIMITATIONS.—

''(i) PROVISION FROM ADMINISTRATIVE FUNDS.—The funds provided under this paragraph by each one-stop partner shall be provided only from funds available for the costs of administration under the program administered by such partner, and shall be subject to the limitations with respect to the portion of funds under such programs that may be used for administration.

''(ii) FEDERAL DIRECT SPENDING PROGRAMS.—Programs that are Federal direct spending under section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(8)) shall not, for purposes of this paragraph, be required to provide an amount in excess of the amount determined to be equivalent to the proportionate use of the one-stop centers by such programs in the State.

''(iii) NATIVE AMERICAN PROGRAMS.—Native American programs established under section 166 shall not be subject to the provisions of this subsection. The method for determining the appropriate portion of funds to be provided by such Native American programs to pay for the costs of infrastructure of a one-stop center certified under subsection (g) shall be determined as part of the development of the memorandum of understanding under subsection (c) for the one-stop center and shall be stated in the memorandum.

''(2) ALLOCATION BY GOVERNOR.—From the funds provided under paragraph (1), the Governor shall allocate funds to local areas in accordance with the formula established under paragraph (3) for the purposes of assisting in paying the costs of the infrastructure of One-Stop centers certified under subsection (g).

''(3) ALLOCATION FORMULA.—The State board shall develop a formula to be used by the Governor to allocate the funds described in paragraph (1). The formula shall include such factors as the State board determines are appropriate, which may include factors such as the number of centers in the local area that have been certified, the population served by such centers, and the performance of such centers.

''(4) COSTS OF INFRASTRUCTURE.—For purposes of this subsection, the term 'costs of infrastructure' means the nonpersonnel costs that are necessary for the general operation of a one-stop center, including the rental costs of the facilities, the costs of utilities and maintenance, and equipment (including adaptive technology for individuals with disabilities).

''(i) OTHER FUNDS.—

''(1) IN GENERAL.—In addition to the funds provided to carry out subsection (h), a portion of funds made available under Federal law authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating partner programs described in subsection (b)(2)(B), or the noncash resources available under such programs shall be used to pay the costs relating to the operation of the one-stop delivery system that are not paid for from the funds provided under subsection (h), to the extent not inconsistent with the Federal law involved including—

''(A) infrastructure costs that are in excess of the funds provided under subsection (h);

''(B) common costs that are in addition to the costs of infrastructure; and

''(C) the costs of the provision of work ready services applicable to each program.

''(2) DETERMINATION AND GUIDANCE.—The method for determining the appropriate portion of funds and noncash resources to be provided by each program under paragraph (1) shall be determined as part of the memorandum of understanding under subsection (c). The State board shall provide guidance to facilitate the determination of appropriate allocation of the funds and noncash resources in local areas.''.

SEC. 419. ELIGIBLE PROVIDERS OF TRAINING SERVICES.

Section 122 (29 U.S.C. 2842) is amended to read as follows:

''SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.

''(a) ELIGIBILITY.—

''(1) IN GENERAL.—The Governor, after consultation with the State board, shall establish criteria and procedures regarding the eligibility of providers of training services described in section 134(c)(4) to receive funds provided under section 133(b) for the provision of such training services.

''(2) PROVIDERS.—Subject to the provisions of this section, to be eligible to receive the funds provided under section 133(b) for the provision of training services, the provider shall be—

''(A) a postsecondary educational institution that—

''(i) is eligible to receive Federal funds under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

''(ii) provides a program that leads to an associate degree, baccalaureate degree, or industry-recognized certification;

''(B) an entity that carries out programs under the Act of August 16, 1937 (commonly known as the 'National Apprenticeship Act'; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.); or

''(C) another public or private provider of a program of training services.

''(3) INCLUSION IN LIST OF ELIGIBLE PROVIDERS.—A provider described in subparagraph (A) or (C) of paragraph (2) shall comply with the criteria and procedures established under this section to be included on the list of eligible providers of training services described in subsection (d)(1). A provider described in paragraph (2)(B) shall be included on the list of eligible providers of training services described in subsection (d)(1) for so long as the provider remains certified by the Department of Labor to carry out the programs described in paragraph (2)(B).

''(b) CRITERIA.—

''(1) IN GENERAL.—The criteria established pursuant to subsection (a) shall take into account—

''(A) the performance of providers of training services with respect to the performance measures described in section 136 and other matters for which information is required under paragraph (2) and other appropriate measures of performance outcomes for those participants receiving training services under this subtitle (taking into consideration the characteristics of the population served and relevant economic conditions);

''(B) whether the training programs of such providers relate to occupations that are in demand,

''(C) the need to ensure access to training services throughout the State, including any rural areas;

''(D) the ability of providers to offer programs that lead to a degree or an industry-recognized certification, certificate, or mastery;

''(E) the information such providers are required to report to State agencies with respect to other Federal and State programs (other than the program carried out under this subtitle), including one-stop partner programs; and

''(F) such other factors as the Governor determines are appropriate to ensure the quality of services provided, the accountability

of providers, that the one-stop centers will ensure that such providers meet the needs of local employers and participants, and the informed choice of participants under chapter 5.

''(2) INFORMATION.—The criteria established by the Governor shall require that a provider of training services submit appropriate, accurate, and timely information to the State for purposes of carrying out subsection (d), with respect to participants receiving training services under this subtitle in the applicable program, including—

''(A) information on degrees and industry-recognized certifications received by such participants;

''(B) information on costs of attendance for such participants;

''(C) information on the program completion rate for such participants; and

''(D) information on the performance of the provider with respect to the performance measures described in section 136 for such participants (taking into consideration the characteristics of the population served and relevant economic conditions), which may include information specifying the percentage of such participants who entered unsubsidized employment in an occupation related to the program.

''(3) RENEWAL.—The criteria established by the Governor shall also provide for biennial review and renewal of eligibility under this section for providers of training services.

''(4) LOCAL CRITERIA.—A local board in the State may establish criteria in addition to the criteria established by the Governor, or may require higher levels of performance than required under the criteria established by the Governor, for purposes of determining the eligibility of providers of training services to receive funds described in subsection (a) to provide the services in the local area involved.

''(5) LIMITATION.—In carrying out the requirements of this subsection, no personally identifiable information regarding a student, including Social Security number, student identification number, or other identifier, may be disclosed without the prior written consent of the parent or eligible student in compliance with section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

''(c) PROCEDURES.—The procedures established under subsection (a) shall identify the application process for a provider of training services to become eligible to receive funds under section 133(b) for the provision of training services, and identify the respective roles of the State and local areas in receiving and reviewing applications and in making determinations of eligibility based on the criteria established under this section. The procedures shall also establish a process for a provider of training services to appeal a denial or termination of eligibility under this section that includes an opportunity for a hearing and prescribes appropriate time limits to ensure prompt resolution of the appeal.

''(d) INFORMATION TO ASSIST PARTICIPANTS IN CHOOSING PROVIDERS.—In order to facilitate and assist participants under chapter 5 in choosing providers of training services, the Governor shall ensure that an appropriate list or lists of providers determined eligible under this section in the State, including information regarding the occupations in demand that relate to the training programs of such providers, is provided to the local boards in the State to be made available to such participants and to members of the public through the one-stop delivery system in the State. The accompanying information shall consist of information provided by providers described in subparagraphs (A) and (C) of subsection (a)(2) in accordance with subsection (b) (including information on receipt of degrees and industry-recognized certifications, and costs of attendance, for participants receiving training services under this subtitle in applicable programs) and such other information as the Secretary determines is appropriate. The list and the accompanying information shall be made available to such participants and to members of the public through the one-stop delivery system in the State.

''(e) ENFORCEMENT.—

''(1) IN GENERAL.—The criteria and procedures established under this section shall provide the following:

''(A) INTENTIONALLY SUPPLYING INACCURATE INFORMATION.—Upon a determination, by an individual or entity specified in the criteria or procedures, that a provider of training services, or individual providing information on behalf of the provider, intentionally supplied inaccurate information under this section, the eligibility of such provider to receive funds under chapter 5 shall be terminated for a period of time that is not less than 2 years.

''(B) SUBSTANTIAL VIOLATIONS.—Upon a determination, by an individual or entity specified in the criteria or procedures, that a provider of training services substantially violated any requirement under this title, the eligibility of such provider to receive funds under the program involved may be terminated, or other appropriate action may be taken.

''(C) REPAYMENT.—A provider of training services whose eligibility is terminated under subparagraph (A) or (B) shall be liable for the repayment of funds received under chapter 5 during a period of noncompliance described in such subparagraph.

''(2) CONSTRUCTION.—Paragraph (1) shall be construed to provide remedies and penalties that supplement, but do not supplant, other civil and criminal remedies and penalties.

''(f) AGREEMENTS WITH OTHER STATES.—States may enter into agreements, on a reciprocal basis, to permit eligible providers of training services to accept career enhancement accounts provided in another State.

''(g) RECOMMENDATIONS.—In developing the criteria, procedures, and information required under this section, the Governor shall solicit and take into consideration the recommendations of local boards and providers of training services within the State.

''(h) OPPORTUNITY TO SUBMIT COMMENTS.—During the development of the criteria, procedures, requirements for information, and the list of eligible providers required under this section, the Governor shall provide an opportunity for interested members of the public, including representatives of business and labor organizations, to submit comments regarding such criteria, procedures, and information.

''(i) ON-THE-JOB TRAINING OR CUSTOMIZED TRAINING EXCEPTION.—

''(1) IN GENERAL.—Providers of on-the-job training or customized training shall not be subject to the requirements of subsections (a) through (g).

''(2) COLLECTION AND DISSEMINATION OF INFORMATION.—A one-stop operator in a local area shall collect such performance information from on-the-job training and customized training providers as the Governor may require, determine whether the providers meet such performance criteria as the Governor may require, and disseminate information identifying providers that meet the criteria as eligible providers, and the performance information, through the one-stop delivery system. Providers determined to meet the criteria shall be considered to be identified as eligible providers of training services.''.

SEC. 420. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

(a) ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.—Section 123 (29 U.S.C. 2843) is amended to read as follows:

''SEC. 123. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

''(a) IN GENERAL.—From the funds allocated under section 128(b) to a local area, the local board for such area shall award grants or contracts on a competitive basis to providers of youth activities identified based on the criteria in the State plan and shall conduct oversight with respect to such providers.

''(b) EXCEPTIONS.—A local board may award grants or contracts on a sole-source basis if such board determines there are an insufficient number of eligible providers of training services in the local area involved (such as rural areas) for grants to be awarded on a competitive basis under subsection (a).''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 123 to read as follows:

''Sec. 123. Eligible providers of youth activities.''.

SEC. 421. YOUTH ACTIVITIES.

(a) STATE ALLOTMENTS.—Section 127 (29 U.S.C. 2852(a)) is amended—

(1) in subsection (a)(1), by striking ''opportunity'' and inserting ''challenge''; and

(2) by striking subsection (b) and inserting the following:

''(b) ALLOTMENT AMONG STATES.—

''(1) YOUTH ACTIVITIES.—

''(A) YOUTH CHALLENGE GRANTS.—

''(i) RESERVATION OF FUNDS.—Of the amount appropriated under section 137(a) for each fiscal year, the Secretary shall reserve 25 percent to provide youth challenge grants under section 169.

''(ii) LIMITATION.—Notwithstanding clause (i), if the amount appropriated under section 137(a) for a fiscal year exceeds $1,000,000,000, the Secretary shall reserve $250,000,000 to provide youth challenge grants under section 169.

''(B) OUTLYING AREAS AND NATIVE AMERICANS.—

''(i) IN GENERAL.—After determining the amount to be reserved under subparagraph (A), of the remainder of the amount appropriated under section 137(a) for each fiscal year the Secretary shall—

''(I) reserve not more than ¼ of one percent of such amount to provide assistance to the outlying areas to carry out youth activities and statewide workforce investment activities; and

''(II) reserve not more than 1 and ½ percent of such amount to provide youth activities under section 166 (relating to Native Americans).

''(ii) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this subparagraph upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association (approved by the Compact of Free Association Amendments Act of 2003 (Public Law 108–188)) after the date of enactment of the Workforce Investment Improvement Act of 2007.

''(C) STATES.—

''(i) IN GENERAL.—Of the remainder of the amount appropriated under section 137(a) for a fiscal year that is available after determining the amounts to be reserved under subparagraphs (A) and (B), the Secretary shall allot—

''(I) the amount of the remainder that is less than or equal to the total amount that was allotted to States for fiscal year 2007 under section 127(b)(1)(C) of this Act (as in

effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) in accordance with the requirements of such section 127(b)(1)(C); and

''(II) the amount of the remainder, if any, in excess of the amount referred to in subclause (I) in accordance with clause (ii).

''(ii) FORMULAS FOR EXCESS FUNDS.—Subject to clauses (iii) and (iv), of the amounts described in clause (i)(II)—

''(I) 33⅓ percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16 through 19 in each State, compared to the total number of individuals in the civilian labor force who are ages 16 through 19 in all States;

''(II) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States; and

''(III) 33⅓ percent shall be allotted on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each State, compared to the total number of disadvantaged youth who are ages 16 through 21 in all States.

''(iii) MINIMUM AND MAXIMUM PERCENTAGES.—The Secretary shall ensure that no State shall receive an allotment for a fiscal year that is less than 90 percent or greater than 130 percent of the allotment percentage of that State for the preceding fiscal year.

''(iv) SMALL STATE MINIMUM ALLOTMENT.—Subject to clause (iii), the Secretary shall ensure that no State shall receive an allotment under this paragraph that is less than 3/10 of 1 percent of the amount available under subparagraph (A).

''(2) DEFINITIONS.—For the purposes of paragraph (1), the following definitions apply:

''(A) ALLOTMENT PERCENTAGE.—The term 'allotment percentage', used with respect to fiscal year 2008 or a subsequent fiscal year, means a percentage of the remainder described in paragraph (1)(C)(i) that is received through an allotment made under this subsection for the fiscal year. The term, with respect to fiscal year 2007, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that is received by the State involved for fiscal year 2007.

''(B) DISADVANTAGED YOUTH.—The term 'disadvantaged youth' means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(3) SPECIAL RULE.—For purposes of the formulas specified in paragraph (1)(C), the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of disadvantaged youth.'';

(3) in subsection (c)—

(A) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallotment for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the State under this section during such prior program year (including amounts allotted to the State in all prior program years that remained available). For purposes of this paragraph, the expended balance is the amount that is the difference between—

''(A) the total amount of funds available to the State under this section during the program year prior to the program year for which the determination is made (including amounts allotted to the State in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(B) in paragraph (3)—

(i) by striking ''for the prior program year'' and inserting ''for the program year in which the determination is made''; and

(ii) by striking ''such prior program year'' and inserting ''such program year'';

(C) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State which does not have an amount available for reallotment under paragraph (2) for the program year for which the determination under paragraph (2) is made.''; and

(D) in paragraph (5), by striking ''obligation'' and inserting ''accrued expenditure''.

(b) WITHIN STATE ALLOCATIONS.—

(1) RESERVATION FOR STATEWIDE ACTIVITIES.—Section 128(a) is amended to read as follows:

''(a) RESERVATION FOR STATEWIDE ACTIVITIES.—

''(1) IN GENERAL.—The Governor of a State shall reserve not more than 10 percent of the amount allotted to the State under section 127(a)(1)(C) for a fiscal year for statewide activities.

''(2) USE OF FUNDS.—Regardless of whether the amounts are allotted under section 127(a)(1)(C) and reserved under paragraph (1) or allotted under section 132 and reserved under section 133(a), the Governor may use the reserved amounts to carry out statewide youth activities under section 129(b) or statewide employment and training activities under section 133.''.

(2) WITHIN STATE ALLOCATIONS.—Section 128(b) is amended to read as follows:

''(b) WITHIN STATE ALLOCATION.—

''(1) IN GENERAL.—Of the amounts allotted to the State under section 127(a)(1)(C) and not reserved under subsection (a)(1)—

''(A) not less than 80 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

''(B) not more than 20 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

''(2) ESTABLISHED FORMULA.—

''(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

''(i) 33⅓ percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16 through 19 in each local area, compared to the total number of individuals in the civilian labor force who are ages 16 through 19 in all local areas in the State;

''(ii) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals in each local area, compared to the total number of unemployed individuals in all local areas in the State; and

''(iii) 33⅓ percent on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each local area, compared to the total number of disadvantaged youth who are ages 16 through 21 in all local areas in the State.

''(B) MINIMUM AND MAXIMUM PERCENTAGES.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

''(C) DEFINITIONS.—

''(i) ALLOCATION PERCENTAGE.—For purposes of this paragraph, the term 'allocation percentage', used with respect to fiscal year 2008 or a subsequent fiscal year, means a percentage of the amount described in paragraph(1)(A) that is received through an allocation made under this paragraph for the fiscal year. The term, with respect to fiscal year 2007, means the percentage of the amounts allocated to local areas under this chapter (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that is received by the local area involved for fiscal year 2007.

''(ii) DISADVANTAGED YOUTH.—The term 'disadvantaged youth' means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(3) YOUTH DISCRETIONARY ALLOCATION.—The Governor shall allocate to local areas the amounts described in paragraph (1)(B) in accordance with such demographic and economic factors as the Governor, after consultation with the State board and local boards, determines are appropriate.

''(4) LOCAL ADMINISTRATIVE COST LIMIT.—

''(A) IN GENERAL.—Of the amounts allocated to a local area under this subsection for a fiscal year, not more than 10 percent of the amount may be used by the local boards for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 5.

''(B) USE OF FUNDS.—Funds made available for administrative costs under subparagraph (A) may be used for the administrative costs of any of the local workforce investment activities described in this chapter or chapter 5, regardless of whether the funds were allocated under this subsection or section 133(b).''.

(3) REALLOCATION.—Section 128(c) (29 U.S.C. 2853(c)) is amended—

(A) in paragraph (1), by striking ''paragraph (2)(A) or (3) of'';

(B) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the local area under this section during such prior program year, (including amounts allotted to the local area in prior program years that remain available). For purposes of this paragraph, the unexpended balance is the amount that is the difference between—

''(A) the total amount of funds available to the local area under this section during the program year prior to the program year for which the determination is made (including amounts allocated to the local area in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(C) in paragraph (3)—

(i) by striking ''subsection (b)(3)'' the first two places it appears and inserting ''subsection (b)'';

(ii) by striking ''the prior program year'' and inserting ''the program year in which the determination is made'';

(iii) by striking ''such prior program year'' and inserting ''such program year''; and

(iv) by striking the last sentence; and

(D) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local

area which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.''.

(c) YOUTH PARTICIPANT ELIGIBILITY.—Section 129(a) (29 U.S.C. 2854(a)) is amended to read as follows:

''(a) YOUTH PARTICIPANT ELIGIBILITY.—

''(1) IN GENERAL.—The individuals participating in activities carried out under this chapter by a local area during any program year shall be individuals who, at the time the eligibility determination is made, are—

''(A) not younger than age 16 or older than age 24; and

''(B) one or more of the following:

''(i) school dropouts;

''(ii) recipients of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities) who are deficient in basic skills and not attending any school;

''(iii) court-involved youth attending an alternative school;

''(iv) youth in foster care or who have been in foster care; or

''(v) in school youth who are low-income individuals and one or more of the following:

''(I) Deficient in literacy skills.

''(II) Homeless, runaway, or foster children.

''(III) Pregnant or parents.

''(IV) Offenders.

''(V) Individuals who require additional assistance to complete an educational program, or to secure and hold employment.

''(2) PRIORITY FOR SCHOOL DROPOUTS.—A priority in the provision of services under this chapter shall be given to individuals who are school dropouts.

''(3) LIMITATIONS ON ACTIVITIES FOR IN-SCHOOL YOUTH.—

''(A) PERCENTAGE OF FUNDS.—For any program year, not more than 50 percent of the funds available for statewide activities under subsection (b), and not more than 50 percent of funds available to local areas under subsection (c), may be used to provide activities for in-school youth meeting the requirements of paragraph (1)(B)(v).

''(B) EXCEPTION.—A State that receives a minimum allotment under section 127(b)(1) in accordance with section 127(b)(1)(C)(iv) or under section 132(b)(1) in accordance with section 132(b)(1)(B)(iv)(II) may increase the percentage described in subparagraph (A) for a local area in the State, if—

''(i) after an analysis of the eligible youth population in the local area, the State determines that the local area will be unable to use at least 50 percent of the funds available for activities under subsection (b) or (c) to serve out-of-school youth due to a low number of out-of-school youth; and

''(ii)(I) the State submits to the Secretary, for the local area, a request including a proposed increased percentage for purposes of subparagraph (A), and the summary of the eligible youth population analysis; and

''(II) the request is approved by the Secretary.

''(C) NON-SCHOOL HOURS REQUIRED.—

''(i) IN GENERAL.—Except as provided in clause (ii), activities carried out under this chapter for in-school youth meeting the requirements of paragraph (1)(B)(v) shall only be carried out in non-school hours or periods when school is not in session (such as before and after school or during recess).

''(ii) EXCEPTION.—The requirements of clause (i) shall not apply to activities carried out for in-school youth meeting the requirements of paragraph (1)(B)(v) during school hours that are part of a program that has demonstrated effectiveness in high school youth attaining diplomas.

''(4) CONSISTENCY WITH COMPULSORY SCHOOL ATTENDANCE LAWS.—In providing assistance under this section to an individual who is required to attend school under applicable State compulsory school attendance laws, the priority in providing such assistance shall be for the individual to attend school regularly.''.

(d) STATEWIDE YOUTH ACTIVITIES.—Section 129(b) (29 U.S.C. 2854(b)) is amended to read as follows:

''(b) STATEWIDE ACTIVITIES.—

''(1) IN GENERAL.—Funds reserved by a Governor for a State as described in sections 128(a) and 133(a)(1) may be used for statewide activities including—

''(A) additional assistance to local areas that have high concentrations of eligible youth;

''(B) supporting the provision of work ready services described in section 134(c)(2) in the one-stop delivery system;

''(C) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 5 in coordination with evaluations carried out by the Secretary under section 172, research, and demonstration projects;

''(D) providing incentive grants to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

''(E) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

''(F) operating a fiscal and management accountability system under section 136(f); and

''(G) carrying out monitoring and oversight of activities under this chapter and chapter 5.

''(2) LIMITATION.—Not more than 5 percent of the funds allotted under section 127(b) shall be used by the State for administrative activities carried out under this subsection and section 133(a).

''(3) PROHIBITION.—No funds described in this subsection or in section 134(a) may be used to develop or implement education curricula for school systems in the State.''.

(e) LOCAL ELEMENTS AND REQUIREMENTS.—

(1) PROGRAM DESIGN.—Section 129(c)(1) (29 U.S.C. 2854(c) (1)) is amended—

(A) in the matter preceding subparagraph (A), by striking ''paragraph (2)(A) or (3), as appropriate, of'';

(B) in subparagraph (B), by inserting ''are directly linked to one or more of the performance measures relating to this chapter under section 136, and that'' after ''for each participant that''; and

(C) in subparagraph (C)—

(i) by redesignating clauses (i) through (iv) as clauses (ii) through (v), respectively;

(ii) by inserting before clause (ii) (as so redesignated) the following:

''(i) activities leading to the attainment of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities);'';

(iii) in clause (ii) (as so redesignated), by inserting ''and advanced training'' after ''opportunities'';

(iv) in clause (iii) (as so redesignated), by inserting ''that lead to the attainment of recognized credentials'' after ''learning''; and

(v) by amending clause (v) (as so redesignated) to read as follows:

''(v) effective connections to employers, including small employers, in sectors of the local and regional labor markets experiencing high growth in employment opportunities.''.

(2) PROGRAM ELEMENTS.—Section 129(c)(2) (29 U.S.C. 2854(c)(2)) is amended—

(A) in subparagraph (A), by striking ''secondary school, including dropout prevention strategies'' and inserting ''secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities), including dropout prevention strategies'';

(B) in subparagraph (I), by striking ''and'' at the end;

(C) in subparagraph (J), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

''(K) on-the-job training opportunities; and

''(L) financial literacy skills.''.

(3) ADDITIONAL REQUIREMENTS.—Section 129(c)(3)(A) (29 U.S.C. 2854(c)(3)(A)) is amended in the matter preceding clause (i) by striking ''or applicant who meets the minimum income criteria to be considered an eligible youth''.

(4) PRIORITY AND EXCEPTIONS.—Section 129(c) (29 U.S.C. 2854(c)) is further amended—

(A) by striking paragraphs (4) and (5) and redesignating paragraphs (6) through (8) as paragraphs (4) through (6), respectively; and

(B) in paragraph (5) (as so redesignated), by striking ''youth councils'' and inserting ''local boards''.

SEC. 422. COMPREHENSIVE PROGRAMS FOR ADULTS.

(a) TITLE AMENDMENT.—

(1) The title heading of chapter 5 is amended to read as follows:

''CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS''.

(2) CLERICAL AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to the heading for chapter 5 to read as follows:

''CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS''.

(b) GENERAL AUTHORIZATION.—Section 131 (29 U.S.C. 2861) is amended—

(1) by striking ''paragraphs (1)(B) and (2)(B) of''; and

(2) by striking '', and dislocated workers,''.

(c) STATE ALLOTMENTS.—Section 132 (29 U.S.C. 2862) is amended—

(1) by amending subsection (a) to read as follows:

''(a) IN GENERAL.—The Secretary shall—

''(1) reserve 7.5 percent of the amount appropriated under section 137 for a fiscal year, of which—

''(A) not less than 85 percent shall be used for national dislocated worker grants under section 173;

''(B) not more than 10 percent may be used for demonstration projects under section 171; and

''(C) not more than 5 percent may be used to provide technical assistance under section 170; and

''(2) make allotments from 92.5 percent of the amount appropriated under section 137 for a fiscal year in accordance with subsection (b).'';

(2) by amending subsection (b) to read as follows:

''(b) ALLOTMENT AMONG STATES FOR ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—

''(1) RESERVATION FOR OUTLYING AREAS.—

''(A) IN GENERAL.—From the amount made available under subsection (a)(2) for a fiscal

year, the Secretary shall reserve not more than ¼ of 1 percent to provide assistance to outlying areas to carry out employment and training activities for adults and statewide workforce investment activities.

''(B) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this paragraph upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association (approved by the Compact of Free Association Amendments Act of 2003 (Public Law 108–188)) after the date of enactment of the Workforce Investment Improvement Act of 2007.

''(2) STATES.—Subject to paragraph (5), of the remainder of the amount referred to under subsection (a)(2) for a fiscal year that is available after determining the amount to be reserved under paragraph (1), the Secretary shall allot to the States for employment and training activities for adults and for statewide workforce investment activities—

''(A) 26 percent in accordance with paragraph (3); and

''(B) 74 percent in accordance with paragraph (4).

''(3) BASE FORMULA.—

''(A) FISCAL YEAR 2008.—

''(i) IN GENERAL.—Subject to clause (ii), the amount referred to in paragraph (2)(A) shall be allotted for fiscal year 2008 on the basis of allotment percentage of each State under section 6 of the Wagner-Peyser Act for fiscal year 2007.

''(ii) EXCESS AMOUNTS.—If the amount referred to in paragraph (2)(A) for fiscal year 2008 exceeds the amount that was available for allotment to the States under the Wagner-Peyser Act for fiscal year 2007, such excess amount shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than ³⁄₁₀ of one percent of such excess amount.

''(iii) DEFINITION.—For purposes of this subparagraph, the term 'allotment percentage' means the percentage of the amounts allotted to States under section 6 of the Wagner-Peyser Act that is received by the State involved for fiscal year 2007.

''(B) FISCAL YEARS 2009 AND THEREAFTER.—

''(i) IN GENERAL.—Subject to clause (ii), the amount referred to in paragraph(2)(A) shall be allotted for fiscal year 2009 and each fiscal year thereafter on the basis of the allotment percentage of each State under this paragraph for the preceding fiscal year.

''(ii) EXCESS AMOUNTS.—If the amount referred to in paragraph (2)(A) for fiscal year 2009 or any fiscal year thereafter exceeds the amount that was available for allotment under this paragraph for the prior fiscal year, such excess amount shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than ³⁄₁₀ of one percent of such excess amount.

''(iii) DEFINITION.—For purposes of this subparagraph, the term 'allotment percentage' means the percentage of the amounts allotted to States under this paragraph in a fiscal year that is received by the State involved for such fiscal year.

''(4) CONSOLIDATED FORMULA.—

''(A) IN GENERAL.—Subject to subparagraphs (B) and (C), of the amount referred to in paragraph (2)(B)—

''(i) 60 percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States;

''(ii) 25 percent shall be allotted on the basis of the relative excess number of unemployed individuals in each State, compared to the total excess number of unemployed individuals in all States; and

''(iii) 15 percent shall be allotted on the basis of the relative number of disadvantaged adults in each State, compared to the total number of disadvantaged adults in all States.

''(B) MINIMUM AND MAXIMUM PERCENTAGES.—

''(i) MINIMUM PERCENTAGE.—The Secretary shall ensure that no State shall receive an allotment under this paragraph for a fiscal year that is less than 90 percent of the allotment percentage of the State under this paragraph for the preceding fiscal year.

''(ii) MAXIMUM PERCENTAGE.—Subject to clause (i), the Secretary shall ensure that no State shall receive an allotment for a fiscal year under this paragraph that is more than 130 percent of the allotment of the State under this paragraph for the preceding fiscal year.

''(C) SMALL STATE MINIMUM ALLOTMENT.—Subject to subparagraph (B), the Secretary shall ensure that no State shall receive an allotment under this paragraph that is less than ²⁄₁₀ of 1 percent of the amount available under subparagraph (A).

''(D) DEFINITIONS.—For the purposes of this paragraph:

''(i) ALLOTMENT PERCENTAGE.—The term 'allotment percentage', used with respect to fiscal year 2008 or a subsequent fiscal year, means a percentage of the amounts described in paragraph (2)(B) that is received through an allotment made under this paragraph for the fiscal year. The term, with respect to fiscal year 2007, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) and under reemployment service grants received by the State involved for fiscal year 2007.

''(ii) DISADVANTAGED ADULT.—The term 'disadvantaged adult' means an individual who is age 22 through 72 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(iii) EXCESS NUMBER.—The term 'excess number' means, used with respect to the excess number of unemployed individuals within a State, the number that represents the number of unemployed individuals in excess of 4½ percent of the civilian labor force in the State.

''(5) ADJUSTMENTS IN ALLOTMENTS BASED ON DIFFERENCES WITH UNCONSOLIDATED FORMULAS.—

''(A) IN GENERAL.—The Secretary shall ensure that for any fiscal year no State has an allotment difference, as defined in subparagraph (C), that is less than zero. The Secretary shall adjust the amounts allotted to the States under this subsection in accordance with subparagraph (B) if necessary to carry out this subparagraph.

''(B) ADJUSTMENTS IN ALLOTMENTS.—

''(i) REDISTRIBUTION OF EXCESS AMOUNTS.—

''(I) IN GENERAL.—If necessary to carry out subparagraph (A), the Secretary shall reduce the amounts that would be allotted under paragraphs (3) and (4) to States that have an excess allotment difference, as defined in subclause (II), by the amount of such excess, and use such amounts to increase the allotments to States that have an allotment difference less than zero.

''(II) EXCESS AMOUNTS.—For purposes of subclause (I), the term 'excess' allotment difference means an allotment difference for a State that is—

''(aa) in excess of 3 percent of the amount described in subparagraph (C)(i)(II); or

''(bb) in excess of a percentage established by the Secretary that is greater than 3 percent of the amount described in subparagraph (C)(i)(II) if the Secretary determines that such greater percentage is sufficient to carry out subparagraph (A).

''(ii) USE OF AMOUNTS AVAILABLE UNDER NATIONAL RESERVE ACCOUNT.—If the funds available under clause (i) are insufficient to carry out subparagraph (A), the Secretary shall use funds reserved under section 132(a) in such amounts as are necessary to increase the allotments to States to meet the requirements of subparagraph (A). Such funds shall be used in the same manner as the States use the other funds allotted under this subsection.

''(C) DEFINITION OF ALLOTMENT DIFFERENCE.—

''(i) IN GENERAL.—For purposes of this paragraph, the term 'allotment difference' means the difference between—

''(I) the total amount a State would receive of the amounts available for allotment under subsection (b)(2) for a fiscal year pursuant to paragraphs (3) and (4); and

''(II) the total amount the State would receive of the amounts available for allotment under subsection (b)(2) for the fiscal year if such amounts were allotted pursuant to the unconsolidated formulas (applied as described in clause (iii)) that were used in allotting funds for fiscal year 2007.

''(ii) UNCONSOLIDATED FORMULAS.—For purposes of clause (i), the unconsolidated formulas are:

''(I) The requirements for the allotment of funds to the States contained in section 132(b)(1)(B) of this Act (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that were applicable to the allotment of funds under such section for fiscal year 2007.

''(II) The requirements for the allotment of funds to the States contained in section 132(b)(2)(B) of this Act (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that were applicable to the allotment of funds under such section for fiscal year 2007.

''(III) The requirements for the allotment of funds to the States that were contained in section 6 of the Wagner-Peyser Act (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that were applicable to the allotment of funds under such Act for fiscal year 2007.

''(IV) The requirements for the allotment of funds to the States that were established by the Secretary for Reemployment Services Grants that were applicable to the allotment of funds for such grants for fiscal year 2007.

''(iii) PROPORTIONATE APPLICATION OF UNCONSOLIDATED FORMULAS BASED ON FISCAL YEAR 2007.—In calculating the amount under clause (i)(II), each of the unconsolidated formulas identified in clause (ii) shall be applied, respectively, only to the proportionate share of the total amount of funds available for allotment under subsection (b)(2) for a fiscal year that is equal to the proportionate share to which each of the unconsolidated formulas applied with respect to the total amount of funds allotted to the States under all of the unconsolidated formulas in fiscal year 2007.

''(iv) RULE OF CONSTRUCTION.—The amounts used to adjust the allotments to a State under subparagraph (B) for a fiscal year shall not be included in the calculation of the amounts under clause (i) for a subsequent fiscal year, including the calculation of allocation percentages for a preceding fiscal

year applicable to paragraphs (3) and (4) and to the unconsolidated formulas described in clause (ii).''; and

(3) in subsection (c)—

(A) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallotment for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the State under this section during such prior program year (including amounts allotted to the State in all prior program years that remained available). For purposes of this paragraph, the expended balance is the amount that is the difference between—

''(A) the total amount of funds available to the State under this section during the program year prior to the program year for which the determination is made (including amounts allotted to the State in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(B) in paragraph (3)—

(i) by striking ''for the prior program year'' and inserting ''for the program year in which the determination is made''; and

(ii) by striking ''such prior program year'' and inserting ''such program year'';

(C) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State that does not have an amount available for reallotment under paragraph (2) for the program year for which the determination under paragraph (2) is made.''; and

(D) in paragraph (5), by striking ''obligation'' and inserting ''accrued expenditure''.

(d) WITHIN STATE ALLOCATIONS.—Section 133 (29 U.S.C. 2863) is amended—

(1) by amending subsection (a) to read as follows:

''(a) RESERVATION FOR STATEWIDE ACTIVITIES.—The Governor of a State may reserve up to 40 percent of the total amount allotted to the State under section 132 for a fiscal year to carry out the statewide activities described in section 134(a).'';

(2) by amending subsection (b) to read as follows:

''(b) ALLOCATIONS TO LOCAL AREAS.—

''(1) IN GENERAL.—Of the amounts allotted to the State under section 132(b)(2) and not reserved under subsection (a)—

''(A) 85 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

''(B) 15 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

''(2) ESTABLISHED FORMULA.—

''(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

''(i) 60 percent on the basis of the relative number of unemployed individuals in each local area, compared to the total number of unemployed individuals in all local areas in the State;

''(ii) 25 percent on the basis of the relative excess number of unemployed individuals in each local area, compared to the total excess number of unemployed individuals in all local areas in the State; and

''(iii) 15 percent shall be allotted on the basis of the relative number of disadvantaged adults in each local area, compared to the total number of disadvantaged adults in all local areas in the State.

''(B) MINIMUM AND MAXIMUM PERCENTAGES.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

''(C) DEFINITIONS.—

''(i) ALLOCATION PERCENTAGE.—The term 'allocation percentage', used with respect to fiscal year 2008 or a subsequent fiscal year, means a percentage of the amount described in paragraph (1)(A) that is received through an allocation made under this paragraph for the fiscal year. The term, with respect to fiscal year 2007, means the percentage of the amounts allocated to local areas under this chapter (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that is received by the local area involved for fiscal year 2007.

''(ii) DISADVANTAGED ADULT.—The term 'disadvantaged adult' means an individual who is age 22 through 72 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(iii) EXCESS NUMBER.—The term 'excess number' means, used with respect to the excess number of unemployed individuals within a local area, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the local area.

''(3) DISCRETIONARY ALLOCATION.—The Governor shall allocate to local areas the amounts described in paragraph (1)(B) based on a formula developed in consultation with the State board and local boards. Such formula shall be objective and geographically equitable and may include such demographic and economic factors as the Governor, after consultation with the State board and local boards, determines are appropriate.

''(4) LOCAL ADMINISTRATIVE COST LIMIT.—

''(A) IN GENERAL.—Of the amounts allocated to a local area under this subsection and section 128(b) for a fiscal year, not more than 10 percent of the amount may be used by the local boards for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 4.

''(B) USE OF FUNDS.—Funds made available for administrative costs under subparagraph (A) may be used for the administrative costs of any of the local workforce investment activities described in this chapter or chapter 4, regardless of whether the funds were allocated under this subsection or section 128(b).'';

(3) in subsection (c)—

(A) in paragraph (1), by striking ''paragraph (2)(A) or (3) of'';

(B) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the local area under this section during such prior program year (including amounts allotted to the local area in prior program years that remain available). For purposes of this paragraph, the unexpended balance is the amount that is the difference between—

''(A) the total amount of funds available to the local area under this section during the program year prior to the program year for which the determination is made (including amounts allocated to the local area in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(C) by amending paragraph (3)—

(i) by striking ''subsection (b)(3)'' the first two places it appears and inserting ''subsection (b)'';

(ii) by striking ''the prior program year'' and inserting ''the program year in which the determination is made'';

(iii) by striking ''such prior program year'' and inserting ''such program year''; and

(iv) by striking the last sentence; and

(D) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local area which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.''.

(e) USE OF FUNDS FOR EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(a) (29 U.S.C. 2864(a) is amended to read as follows:

''(1) IN GENERAL.—

''(A) REQUIRED USE OF FUNDS.—Not less than 60 percent of the funds reserved by a Governor under section 133(a) shall be used to support One-Stop delivery systems and the provision of work ready services, and, in addition, may be used to support the provision of discretionary one-step delivery services, in local areas, consistent with the local plan, through one-stop delivery systems by distributing funds to local areas in accordance with subparagraph (B). Such funds may be used by States to employ State personnel to provide such services in designated local areas in consultation with local boards.

''(B) METHOD OF DISTRIBUTING FUNDS.—The method of distributing funds under this paragraph shall be developed in consultation with the State board and local boards. Such method of distribution, which may include the formula established under section 121(h)(3), shall be objective and geographically equitable, and may include factors such as the number of centers in the local area that have been certified, the population served by such centers, and the performance of such centers.

''(C) OTHER USE OF FUNDS.—Funds reserved by a Governor for a State—

''(i) under section 133(a) and not used under subparagraph (A), may be used for statewide activities described in paragraph (2); and

''(ii) under section 133(a) and not used under subparagraph (A), and under section 128(a) may be used to carry out any of the statewide employment and training activities described in paragraph (3).

''(2) STATEWIDE RAPID RESPONSE ACTIVITIES.—A State shall carry out statewide rapid response activities using funds reserved as described in section 133(a). Such activities shall include—

''(A) provision of rapid response activities, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials in the local areas; and

''(B) provision of additional assistance to local areas that experience disasters, mass layoffs or plant closings, or other events that precipitate substantial increases in the number of unemployed individuals, carried out in local areas by the State, working in conjunction with the local boards and the chief elected officials in the local areas.

''(3) STATEWIDE ACTIVITIES.—Funds reserved by a Governor for a State as described in sections 133(a) and 128(a) may be used for statewide activities including—

''(A) supporting the provision of work ready services described in section 134(c)(2) in the one-stop delivery system;

''(B) implementing innovative programs and strategies designed to meet the needs of all businesses in the State, including small businesses, which may include incumbent

worker training programs, sectoral and industry cluster strategies and partnerships, including regional skills alliances, sectoral skills partnerships (in which representatives of multiple employers for a specific industry sector or group of related occupations, economic development agencies, providers of training services described in subsection (d)(4), labor federations, and other entities that can provide needed supportive services tailored to the needs of workers in that sector or group, for a local area or region, identify gaps between the current and expected demand and supply of labor and skills in that sector or group for that area or region and develop a strategic skills gap action plan), career ladder programs, micro-enterprise and entrepreneurial training and support programs, utilization of effective business intermediaries, activities to improve linkages between the one-stop delivery system in the State and all employers (including small employers) in the State, and other business services and strategies that better engage employers in workforce investment activities and make the workforce investment system more relevant to the needs of State and local businesses, consistent with the objectives of this title;

''(C) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 4 in coordination with evaluations carried out by the Secretary under section 172, research, and demonstration projects;

''(D) providing incentive grants to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

''(E) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

''(F) operating a fiscal and management accountability system under section 136(f);

''(G) carrying out monitoring and oversight of activities carried out under this chapter and chapter 4;

''(H) implementing innovative programs, such as incumbent worker training programs, programs and strategies designed to meet the needs of businesses in the State, including small businesses, and engage employers in workforce activities, and programs serving individuals with disabilities consistent with section 188;

''(I) developing strategies for effectively serving hard-to-serve populations and for integrating programs and services among one-stop partners; and

''(J) carrying out activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology.

''(4) LIMITATION.—Not more than 5 percent of the funds allotted under section 132(b) shall be used by the State for administrative activities carried out under this subsection and section 128(a).''.

(2) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(b) (29 U.S.C. 2864(b)) is amended—

(A) by striking ''under paragraph (2)(A)'' and all that follows through ''section 133(b)(2)(B)'' and inserting ''under section 133(b)''; and

(B) in paragraphs (1) and (2), by striking ''or dislocated workers, respectively''.

(3) TECHNICAL AMENDMENT.—Section 134 is further amended by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(4) REQUIRED LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) ALLOCATED FUNDS.—Section 134(c)(1) (29 U.S.C. 2864(c)(1)) (as redesignated by paragraph (3)) is amended to read as follows:

''(1) IN GENERAL.—Funds allocated to a local area for adults under section 133(b) shall be used—

''(A) to establish a one-stop delivery system as described in section 121(e);

''(B) to provide the work ready services described in paragraph (2) through the one-stop delivery system in accordance with such paragraph;

''(C) to provide training services described in paragraph (4) to adults described in such paragraph; and

''(D) to designate a dedicated business liaison in the local area who may be funded with funds provided under this title or from other sources to establish and develop relationships and networks with large and small employers and their intermediaries.''.

(B) WORK READY SERVICES.—Section 134(c)(2) (29 U.S.C. 2864(c)(2)) (as redesignated by paragraph (3)) is amended——

(i) in the heading, by striking ''CORE SERVICES'' and inserting ''WORK READY SERVICES'';

(ii) by striking ''core services'' and inserting ''work ready services'';

(iii) by striking ''paragraph (1)(A)'' and inserting ''paragraph (1)(A)(i)'';

(iv) by striking ''who are adults or dislocated workers'';

(v) in subparagraph (A), by inserting ''and assistance in obtaining eligibility determinations under the other one-stop partner programs through such activities as assisting in the submission of applications, the provision of information on the results of such applications, the provision of intake services and information, and, where appropriate and consistent with the authorizing statute of the one-stop partner program, determinations of eligibility'' after ''subtitle'';

(vi) by amending subparagraph (D) to read as follows:

''(D) labor exchange services, including—

''(i) job search and placement assistance, and where appropriate career counseling;

''(ii) appropriate recruitment services for employers, including small employers, in the local area, which may include services described in this subsection, including information and referral to specialized business services not traditionally offered through the one-stop delivery system; and

''(iii) reemployment services provided to unemployment claimants, including claimants identified as in need of such services under the worker profiling system established under section 303(j) of the Social Security Act (42 U.S.C. 503(j));'';

(vii) in subparagraph (I), by inserting ''and the administration of the work test for the unemployment compensation system'' after ''compensation''; and

(viii) by striking subparagraph (H) and inserting the following:

''(H) provision of accurate information, in formats that are usable and understandable to all one-stop center customers, relating to the availability of supportive services or assistance, including child care, child support, medical or child health assistance under title XIX or XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.), benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), the earned income tax credit under section 32 of the Internal Revenue Code of 1986, and assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and other supportive services and transportation provided through funds made available under such part, available in the local area, and referral to such services or assistance as appropriate;''; and

(ix) by amending subparagraph (J) to read as follows:

''(J) assistance in establishing eligibility for programs of financial aid assistance for training and education programs that are not funded under this Act and are available in the local area; and''; and

(x) by redesignating subparagraph (K) as subparagraph (M); and

(xi) by inserting the following new subparagraphs after subparagraph (J)):

''(K) the provision of information from official publications of the Internal Revenue Service, regarding federal tax credits available to individuals relating to education, job training and employment, including the Hope Scholarship Credit and the Lifetime Learning Credit (26 U.S.C. 25A), and the Earned Income Tax Credit (26 U.S.C. 32);

''(L) services relating to the Work Opportunity Tax Credit (26 U.S.C. 51);

''(M) comprehensive and specialized assessments of the skill levels and service needs of adults and dislocated workers, which may include—

''(i) diagnostic testing and use of other assessment tools; and

''(ii) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals;

''(N) development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participation to achieve the employment goals;

''(O) group counseling;

''(P) individual counseling and career planning;

''(Q) case management;

''(R) short-term prevocational services, including development of learning skills, communications skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct, to prepare individuals for unsubsidized employment or training;

''(S) internships and work experience;

''(T) literacy activities relating to basic work readiness, information and communication technology literacy activities, and financial literacy activities, if such activities are not available to participants in the local area under programs administered under the Adult Education and Family Literacy Act (20 U.S.C. 2901 et seq.); and

''(U) out-of-area job search assistance and relocation assistance.''.

(C) DELIVERY OF SERVICES.—Section 134(c)(3) (29 U.S.C. 2864(c)(3) (as redesignated by paragraph (3) of this subsection) is amended to read as follows:

''(3) DELIVERY OF SERVICES.—The work ready services described in paragraph (M) through (U) shall be provided through the one-stop delivery system and may be provided through contracts with public, private for-profit, and private nonprofit service providers, approved by the local board.''.

(D) TRAINING SERVICES.—Section 134(c)(4) (as redesignated by paragraph (3) of this subsection) is amended—

(i) by amending subparagraph (A) to read as follows:

''(A) IN GENERAL.—Funds allocated to a local area under section 133(b) shall be used to provide training services to adults who—

''(i) after an interview, evaluation, or assessment, and case management, have been determined by a one-stop operator or one-stop partner, as appropriate, to—

''(I) be in need of training services to obtain or retain suitable employment; and

''(II) have the skills and qualifications to successfully participate in the selected program of training services;

''(ii) select programs of training services that are directly linked to the employment opportunities in the local area involved or in another area in which the adults receiving such services are willing to commute or relocate;

''(iii) who meet the requirements of subparagraph (B); and

''(iv) who are determined eligible in accordance with the priority system in effect under subparagraph (E).'';

(ii) in subparagraph (B)(i), by striking ''Except'' and inserting ''Notwithstanding section 479B of the Higher Education Act of 1965 (20 U.S.C. 1087uu) and except'';

(iii) by amending subparagraph (D) to read as follows:

''(D) TRAINING SERVICES.—Training services authorized under this paragraph may include—

''(i) occupational skills training;

''(ii) on-the-job training;

''(iii) skill upgrading and retraining;

''(iv) entrepreneurial training;

''(v) education activities leading to a high school diploma or its equivalent, including a General Educational Development credential, in combination with, concurrently or subsequently, occupational skills training;

''(vi) adult education and literacy activities provided in conjunction with other training authorized under this subparagraph;

''(vii) workplace training combined with related instruction; and

''(viii) occupational skills training that incorporates English language acquisition.'';

(iv) by amending subparagraph (E) to read as follows:

''(E) PRIORITY.—

''(i) IN GENERAL.—A priority shall be given to unemployed individuals and employed workers who need training services to retain employment or to advance in a career for the provision of intensive and training services under this subsection.

''(ii) DETERMINATIONS.—The Governor and the appropriate local board shall direct the one-stop operators in the local area with regard to making determinations with respect to the priority of service under this subparagraph.'';

(v) in subparagraph (F), by striking clause (iii) and inserting the following:

''(iii) CAREER ENHANCEMENT ACCOUNTS.—An individual who seeks training services and who is eligible pursuant to subparagraph (A), may, in consultation with a case manager, select an eligible provider of training services from the list or identifying information for providers described in clause (ii)(I). Upon such selection, the one-stop operator involved shall, to the extent practicable, refer such individual to the eligible provider of training services, and arrange for payment for such services through a career enhancement account.

''(iv) COORDINATION.—Each local board may, through one-stop centers, coordinate career enhancement accounts with other Federal, State, local, or private job training programs or sources to assist the individual in obtaining training services.

''(v) ENHANCED CAREER ENHANCEMENT ACCOUNTS.—Each local board may, through one-stop centers, assist individuals receiving career enhancement accounts through the establishment of such accounts that include, in addition to the funds provided under this paragraph, funds from other programs and sources that will assist the individual in obtaining training services.''; and

(vi) in subparagraph (G)—

(I) in the subparagraph heading, by striking ''INDIVIDUAL TRAINING ACCOUNTS'' and inserting ''CAREER ENHANCEMENT ACCOUNTS'';

(II) in clause (i) by striking ''individual training accounts'' and inserting ''career enhancement accounts'';

(III) in clause (ii)—

(aa) by striking ''an individual training account'' and inserting ''a career enhancement account'';

(bb) in subclause (II), by striking ''individual training accounts'' and inserting ''career enhancement accounts'';

(cc) in subclause (II) by striking ''or'' after the semicolon;

(dd) in subclause (III) by striking the period and inserting ''; or''; and

(ee) by adding at the end of the following:

''(IV) The local board determines that it would be most appropriate to award a contract to an institution of higher education in order to facilitate the training of multiple individuals in high-demand occupations, if such contract does not limit customer choice.''.

(IV) in clause (iv)—

(aa) by redesignating subclause (IV) as subclause (V) and inserting after subclause (III) the following:

''(IV) Individuals with disabilities.''.

(5) PERMISSIBLE ACTIVITIES.—Section 134(d) (as redesignated by paragraph (3)) is amended—

(A) by amending paragraph (1) to read as follows:

''(1) DISCRETIONARY ONE-STOP DELIVERY ACTIVITIES.—

''(A) IN GENERAL.—Funds allocated to a local area under section 133(b) may be used to provide, through the one-stop delivery system—

''(i) customized screening and referral of qualified participants in training services to employers;

''(ii) customized employment-related services to employers on a fee-for-service basis;

''(iii) customer support to navigate among multiple services and activities for special participant populations that face multiple barriers to employment, including individuals with disabilities;

''(iv) employment and training assistance provided in coordination with child support enforcement activities of the State agency carrying out subtitle D of title IV of the Social Security Act (42 U.S.C. 651 et seq.);

''(v) activities to improve services to local employers, including small employers in the local area, and increase linkages between the local workforce investment system and employers;

''(vi) activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology; and

''(vii) activities to carry out business services and strategies that meet the workforce investment needs of local area employers, as determined by the local board, consistent with the local plan under section 118, which services—

''(I) may be provided through effective business intermediaries working in conjunction with the local board, and may also be provided on a fee-for-service basis or through the leveraging of economic development and other resources as determined appropriate by the local board; and

''(II) may include—

''(aa) identifying and disseminating to business, educators, and job seekers, information related to the workforce, economic and community development needs, and opportunities of the local economy;

''(bb) development and delivery of innovative workforce investment services and strategies for area businesses, which may include sectoral, industry cluster, regional skills alliances, career ladder, skills upgrading, skill standard development and certification, apprenticeship, and other effective initiatives for meeting the workforce investment needs of area employers and workers;

''(cc) participation in seminars and classes offered in partnership with relevant organizations focusing on the workforce-related needs of area employers and job seekers;

''(dd) training consulting, needs analysis, and brokering services for area businesses, including the organization and aggregation of training (which may be paid for with funds other than those provided under this title), for individual employers and coalitions of employers with similar interests, products, or workforce needs;

''(ee) assistance to area employers in the aversion of layoffs and in managing reductions in force in coordination with rapid response activities;

''(ff) the marketing of business services offered under this title, to appropriate area employers, including small and mid-sized employers;

''(gg) information referral on concerns affecting local employers; and

''(hh) other business services and strategies designed to better engage employers in workforce investment activities and to make the workforce investment system more relevant to the workforce investment needs of area businesses, as determined by the local board to be consistent with the objectives of this title.

''(B) WORK SUPPORT ACTIVITIES FOR LOW-WAGE WORKERS.—

''(i) IN GENERAL.—Funds allocated to a local area under 133(b) may be used to provide, through the one-stop delivery system and in collaboration with the appropriate programs and resources of the one-stop partners, work support activities designed to assist low-wage workers in retaining and enhancing employment. The one stop partners shall coordinate the appropriate programs and resources of the partners with the activities and resources provided under this subparagraph.

''(ii) ACTIVITIES.—The activities described in clause (i) may include assistance in accessing financial supports for which such workers may be eligible and the provision of activities available through the one-stop delivery system in a manner that enhances the opportunities of such workers to participate, such as the provision of employment and training activities during nontraditional hours and the provision of on-site child care while such activities are being provided.''; and

(B) by adding after paragraph (3) the following new paragraph:

''(4) INCUMBENT WORKER TRAINING PROGRAMS.—

''(A) IN GENERAL.—The local board may use up to 10 percent of the funds allocated to a local area under section 133(b) to carry out incumbent worker training programs in accordance with this paragraph.

''(B) TRAINING ACTIVITIES.—The training programs for incumbent workers under this paragraph shall be carried out by the local area in conjunction with the employers of such workers for the purpose of assisting such workers in obtaining the skills necessary to retain employment and avert layoffs.

''(C) EMPLOYER MATCH REQUIRED.—

''(i) IN GENERAL.—Employers participating in programs under this paragraph shall be required to pay a proportion of the costs of providing the training to the incumbent workers of the employers. The State board, in consultation with the local board as appropriate, shall establish the required portion of such costs, which may include in-kind contributions. The required portion shall not be less than—

''(I) 10 percent of the costs, for employers with 50 or fewer employees;

''(II) 25 percent of the costs, for employers with more than 50 employees but fewer than 100 employees; and

''(III) 50 percent of the costs, for employers with 100 or more employees.

''(ii) CALCULATION OF MATCH.—The wages paid by an employer to a worker while they are attending training may be included as part of the requirement payment of the employer.''.

SEC. 423. PERFORMANCE ACCOUNTABILITY SYSTEM.

(a) STATE PERFORMANCE MEASURES.—

(1) IN GENERAL.—Section 136(b)(1) (29 U.S.C. 2871(b)(1)) is amended—

(A) in subparagraph (A)(i), by striking ''and the customer satisfaction indicator of performance described in paragraph (2)(B)''; and

(B) in subparagraph (A)(ii), by striking ''paragraph (2)(C)'' and inserting ''paragraph (2)(B)''.

(2) INDICATORS OF PERFORMANCE.—Section 136(b)(2) (29 U.S.C. 2871(b)(2)) is amended—

(A) in subparagraph (A)(i)—

(i) by striking ''(except for self-service and information activities) and (for participants who are eligible youth age 19 through 21) for youth activities authorized under section 129'';

(ii) in subclause (II), by striking ''6 months after entry into the employment'' and inserting ''and'' after the semicolon; and

(iii) by striking subclause (III), and inserting the following:

''(III) average earnings from unsubsidized employment.'';

(B) by striking subclause (IV) of subparagraph (A)(i);

(C) by amending subparagraph (A)(ii) to read as follows:

''(ii) CORE INDICATORS FOR ELIGIBLE YOUTH.—The core indicators of performance for youth activities authorized under section 129 shall consist of—

''(I) entry into employment, education or advanced training, or military service;

''(II) attainment of secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent or certificate (including recognized alternative standards for individuals with disabilities); and

''(III) literacy or numeracy gains.'';

(D) by striking subparagraph (B); and

(E) by redesignating subparagraph (C) as subparagraph (B), and by adding at the end of such subparagraph the following new sentence: ''Such indicators may include customer satisfaction of employers and participants with services received from the workforce investment activities authorized under this subtitle.''.

(3) LEVELS OF PERFORMANCE.—Section 136(b)(3)(A) (29 U.S.C. 2871(b)(3)(A)) is amended—

(A) in clause (i), by striking ''and the customer satisfaction indicator described in paragraph (2)(B)'';

(B) in clause (ii), by striking ''and the customer satisfaction indicator of performance, for the first 3'' and inserting ''for the 2'';

(C) in clause (iii)—

(i) in the heading, by striking ''**FOR FIRST 3 YEARS**''; and

(ii) by striking ''and the customer satisfaction indicator of performance, for the first 3'' and inserting ''for the 2'';

(D) in clause (iv)—

(i) by striking subclause (I);

(ii) by redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively; and

(iii) in subclause (I) (as so redesignated)—

(I) by striking ''taking into account'' and inserting ''which shall be adjusted based on'';

(II) by inserting '', such as unemployment rates and job losses or gains in particular industries'' after ''economic conditions''; and

(III) by inserting '', such as indicators of poor work history, lack of work experience, dislocation from high-wage employment, low levels of literacy or English proficiency, disability status, including the number of veterans with disabilities, and welfare dependency'' after ''program'';

(E) by striking clause (v) and redesignating clause (vi) as clause (v).

(4) ADDITIONAL INDICATORS.—Section 136(b)(3)(B) is amended by striking ''paragraph (2)(C)'' and inserting ''paragraph (2)(B)''.

(b) LOCAL PERFORMANCE MEASURES.—Section 136(c) (29 U.S.C. 2871(c)) is amended—

(1) in paragraph (1)(A)(i), by striking '', and the customer satisfaction indicator of performance described in subsection (b)(2)(B),'';

(2) in paragraph (1)(A)(ii), by striking ''subsection (b)(2)(C)'' and inserting ''subsection (b)(2)(B)''; and

(3) by amending paragraph (3) to read as follows:

''(3) DETERMINATIONS.—In determining such local levels of performance, the local board, the chief elected official, and the Governor shall ensure such levels are adjusted based on the specific economic characteristics (such as unemployment rates and job losses or gains in particular industries), demographic characteristics, or other characteristics of the population to be served in the local area, such as poor work history, lack of work experience, dislocation from high-wage employment, low levels of literacy or English proficiency, disability status, including the number of veterans with disabilities, and welfare dependency.''.

(c) REPORT.—Section 136(d) (29 U.S.C. 2871(d)) is amended—

(1) in paragraph (1), by striking ''and the customer satisfaction indicator'' in both places that it appears;

(2) in paragraph (2)—

(A) in subparagraph (E), by striking ''(excluding participants who received only self-service and informational activities); and'' and inserting a semicolon;

(B) in subparagraph (F), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(G) the number of participants who have received services other than followup services, authorized under this title, in the form of work ready services described in section 134(d)(2), and training services described in section 134(d)(4), respectively;

''(H) the number of participants who have received followup services authorized under this title; and

''(I) the cost per participant for services authorized under this title.''; and

(3) by adding at the end the following:

''(4) DATA VALIDATION.—In preparing the reports described in this subsection, the States shall establish procedures, consistent with guidelines issued by the Secretary, to ensure the information contained in the report is valid and reliable.''.

(d) SANCTIONS FOR STATE.—Section 136(g) (29 U.S.C. 2871(g)) is amended—

(1) in paragraph (1)(A), by striking ''or (B)''; and

(2) in paragraph (2), by striking ''section 503'' and inserting ''section 136(i)''.

(e) SANCTIONS FOR LOCAL AREAS.—Section 136(h) (29 U.S.C. 2871(h)) is amended—

(1) in paragraph (1), by striking ''or (B)''; and

(2) by amending paragraph (2)(B) to read as follows:

''(B) APPEAL TO GOVERNOR.—A local area that is subject to a reorganization plan under subparagraph (A) may, not later than 30 days after receiving notice of the reorganization plan, appeal to the Governor to rescind or revise such plan. In such case, the Governor shall make a final decision not later than 30 days after the receipt of the appeal.''.

(f) INCENTIVE GRANTS.—Section 136(i) (29 U.S.C. 2871(i)) is amended to read as follows:

''(i) INCENTIVE GRANTS FOR STATES AND LOCAL AREAS.—

''(1) INCENTIVE GRANTS FOR STATES.—

''(A) IN GENERAL.—From funds appropriated under section 174, the Secretary may award incentive grants to States for exemplary performance in carrying programs under chapters 4 and 5 of this title. Such awards may be based on States meeting or exceeding the performance measures established under this section, on the performance of the State in serving special populations, including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines is appropriate.

''(B) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under chapters 4 and 5 of this title, including—

''(i) activities that provide technical assistance to local areas to replicate best practices for workforce and education programs;

''(ii) activities that support the needs of businesses, especially for incumbent workers and enhancing opportunities for retention and advancement;

''(iii) activities that support linkages between the workforce and education programs, and secondary, postsecondary, or career and technical education programs, including activities under the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2301 et seq.), the Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.), and the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

''(iv) activities that support regional economic development plans that support high-wage, high-skill, or high-demand occupations leading to self-sufficiency;

''(v) activities that coordinate the workforce and education programs with other Federal and State programs related to the workforce and education programs;

''(vi) activities that support the development of an integrated performance information system that includes common measures for one-stop partner programs described in section 121;

''(vii) activities that support activities to improve performance in workforce and education programs and program coordination of workforce and education programs; or

''(viii) activities that leverage additional training resources, other than those provided through workforce and education programs, for adults and youth.

''(2) INCENTIVE GRANTS FOR LOCAL AREAS.—

''(A) IN GENERAL.—From funds reserved under sections 128(a) and 133(a), the Governor may award incentive grants to local areas for exemplary performance with respect to the measures established under this section and with the performance of the local area in serving special populations, including the levels of service and the performance outcomes.

''(B) USE OF FUNDS.—The funds awarded to a local area may be used to carry out activities authorized for local areas under chapters 4 and 5 of this title, the Adult Education and Family Literacy Act, and the Rehabilitation Act of 1973 (referred to in this subsection as 'workforce and education programs'), and such innovative projects or programs that increase coordination and enhance service to participants in such programs, particularly hard-to-serve populations, as may be approved by the Governor, including—

''(i) activities that support the needs of businesses, especially for incumbent workers and enhancing opportunities for retention and advancement;

''(ii) activities that support linkages between the workforce and education programs, and secondary, postsecondary, or career and technical education programs, including activities under the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2301 et seq.), the Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.), and the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

''(iii) activities that support regional economic development plans that support high-wage, high-skill, or high-demand occupations leading to self-sufficiency;

''(iv) activities that coordinate the workforce and education programs with other Federal and State programs related to the workforce and education programs;

''(v) activities that support the development of an integrated performance information system that includes common measures for one-stop partner programs described in section 121;

''(vi) activities that support activities to improve performance in workforce and education programs and program coordination of workforce and education programs; or

''(vii) activities that leverage additional training resources, other than those provided through workforce and education programs, for adults and youth.''.

(g) USE OF CORE INDICATORS FOR OTHER PROGRAMS.—Section 136 (29 U.S.C. 2871) is further amended by adding at the end the following subsection:

''(j) USE OF CORE INDICATORS FOR OTHER PROGRAMS.—In addition to the programs carried out under chapters 4 and 5, and consistent with the requirements of the applicable authorizing laws, the Secretary shall use the core indicators of performance described in subsection (b)(2)(A) to assess the effectiveness of the programs described under section 121(b)(1)(B) that are carried out by the Secretary.''.

(h) REPEAL OF DEFINITIONS.—Sections 502 and 503 (and the items related to such sections in the table of contents) are repealed.

SEC. 424. AUTHORIZATION OF APPROPRIATIONS.

(a) YOUTH ACTIVITIES.—Section 137(a) (29 U.S.C. 2872(a)) is amended by striking ''such sums as may be necessary for each of fiscal years 1999 through 2003'' and inserting ''such sums as may be necessary for each of fiscal year 2008 through 2012''.

(b) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137(b) (29 U.S.C. 2872(b)) is amended by striking ''section 132(a)(1), such sums as may be necessary for each of fiscal years 1999 through 2003'' and inserting ''section 132(a), such sums as may be necessary for each of fiscal years 2008 through 2012''.

(c) DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137 is further amended by striking subsection (c).

SEC. 425. JOB CORPS.

(a) PROGRAM ACTIVITIES.—Section 148(a) is amended by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—Each Job Corps Center shall provide enrollees with an intensive, well organized, and fully supervised program of education, career training, work experience, recreational activities, physical rehabilitation and development, and counseling. Each Job Corps center shall provide enrollees assigned to the center with access to work ready services described in section 134(c)(2).''.

(b) INDUSTRY COUNCILS.—Section 154(b) (29 U.S.C. 2894(b)) is amended—

(1) in paragraph (1)(A), by striking ''local and distant''; and

(2) by adding after paragraph (2) the following:

''(3) EMPLOYERS OUTSIDE OF LOCAL AREAS.—The industry council may include, or otherwise provide for consultation with, employers from outside the local area who are likely to hire a significant number of enrollees from the Job Corps center.

''(4) SPECIAL RULE FOR SINGLE LOCAL AREA STATES.—In the case of a single local area State designated under section 116(b), the industry council shall include a representative of the State Board.''.

(c) INDICATORS OF PERFORMANCE AND ADDITIONAL INFORMATION.—Section 159(c) (29 U.S.C. 2893(c)) is amended—

(1) by amending paragraph (1) to read as follows:

''(1) CORE INDICATORS.—The Secretary shall annually establish expected levels of performance for Job Corps centers and the Job Corps program relating to each of the following core indicators of performance for youth—

''(A) entry into education, employment, military service or advanced training;

''(B) attainment of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent; and

''(C) literacy or numeracy gains.''; and

(2) in paragraph (2), by striking ''measures'' each place it appears and inserting ''indicators''.

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 161 (29 U.S.C. 2901) is amended by striking ''1999 through 2003'' and inserting ''2008 through 2012''.

(e) REPEAL OF REQUIREMENT RELATING TO FEDERAL ADMINISTRATION.—Section 102 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006 (Public Law 109–149) is repealed.

SEC. 426. NATIVE AMERICAN PROGRAMS.

(a) ADVISORY COUNCIL.—Section 166(h)(4)(C) (29 U.S.C. 2911(h)(4)(C)) is amended to read as follows:

''(C) DUTIES.—The Council shall advise the Secretary on the operation and administration of the programs assisted under this section.''.

(b) ASSISTANCE TO AMERICAN SAMOANS IN HAWAII.—Section 166 (29 U.S.C. 2911) is further amended by striking subsection (j).

SEC. 427. MIGRANT AND SEASONAL FARMWORKER PROGRAMS.

Section 167(d) is amended by inserting ''(including permanent housing)'' after ''housing''.

SEC. 428. VETERANS' WORKFORCE INVESTMENT PROGRAMS.

Section 168(a)(3)(C) (29 U.S.C. 2913 (a)(3)(C)) is amended by striking ''section 134(c)'' and inserting ''section 121(e)''.

SEC. 429. YOUTH CHALLENGE GRANTS.

(a) IN GENERAL.—Section 169 (29 U.S.C. 2914) is amended to read as follows:

''SEC. 169. YOUTH CHALLENGE GRANTS.

''(a) IN GENERAL.—Of the amounts reserved by the Secretary under section 127(a)(1)(A) for a fiscal year—

''(1) the Secretary shall use not less than 80 percent to award competitive grants under subsection (b); and

''(2) the Secretary may use not more than 20 percent to award discretionary grants under subsection (c).

''(b) COMPETITIVE GRANTS TO STATES AND LOCAL AREAS.—

''(1) ESTABLISHMENT.—From the funds described in subsection (a)(1), the Secretary shall award competitive grants to eligible entities to carry out activities authorized under this section to assist eligible youth in acquiring the skills, credentials and employment experience necessary to succeed in the labor market.

''(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to States, local boards, recipients of grants under section 166 (relating to Native American programs), and public or private entities (including consortia of such entities) applying in conjunction with local boards.

''(3) GRANT PERIOD.—The Secretary may make a grant under this section for a period of 1 year and may renew the grants for each of the 4 succeeding years.

''(4) AUTHORITY TO REQUIRE MATCH.—The Secretary may require that grantees under this subsection provide a non-Federal share of the cost of activities carried out under a grant awarded under this subsection.

''(5) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 as of the time the eligibility determination is made may be eligible to participate in activities provided under this subsection.

''(6) USE OF FUNDS.—Funds under this subsection may be used for activities that are designed to assist youth in acquiring the skills, credentials and employment experience that are necessary to succeed in the labor market, including the activities identified in section 129. The activities may include activities such as—

''(A) training and internships for out-of-school youth in sectors of the economy experiencing or projected to experience high growth;

''(B) after-school dropout prevention activities for in-school youth;

''(C) activities designed to assist special youth populations, such as court-involved youth and youth with disabilities; and

''(D) activities combining remediation of academic skills, work readiness training, and work experience, and including linkages to postsecondary education, apprenticeships, and career-ladder employment.

''(7) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(A) a description of the activities the eligible entity will provide to eligible youth under this subsection and how the eligible entity will collaborate with State and local workforce investment systems established under this title in the provisions of such activities;

''(B) a description of the programs of demonstrated effectiveness on which the provision of the activities under subparagraph (A) are based, and a description of how such activities will expand the base of knowledge relating to the provision of activities for youth;

''(C) a description of the private and public, and local and State resources that will be leveraged to provide the activities described under subparagraph (A) in addition to the funds provided under this subsection and a description of the extent of the involvement of employers in the activities; and

''(D) the levels of performance the eligible entity expects to achieve with respect to the indicators of performance for youth specified in section 136(b)(2)(A)(ii).

''(8) FACTORS FOR AWARD.—

''(A) IN GENERAL.—In awarding grants under this subsection the Secretary shall consider—

''(i) the quality of the proposed activities;

''(ii) the goals to be achieved;

''(iii) the likelihood of successful implementation;

''(iv) the extent to which the proposed activities are based on proven strategies or the extent to which the proposed activities will expand the base of knowledge relating to the provision of activities for eligible youth;

''(v) the extent of collaboration with the State and local workforce investment systems in carrying out the proposed activities;

''(vi) the extent of employer involvement in the proposed activities;

''(vii) whether there are other Federal and non-Federal funds available for similar activities to the proposed activities, and the additional State, local, and private resources that will be provided to carry out the proposed activities;

''(viii) the quality of the proposed activities in meeting the needs of the eligible youth to be served; and

''(ix) the extent to which the proposed activities will expand on services provided under section 127.

''(B) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this subsection the Secretary shall ensure an equitable distribution of such grants across geographically diverse areas.

''(9) EVALUATION.—The Secretary may reserve up to 5 percent of the funds described in subsection(a)(1) to provide technical assistance to, and conduct evaluations of the projects funded under this subsection (using appropriate techniques as described in section 172(c)).

''(c) DISCRETIONARY GRANTS FOR YOUTH ACTIVITIES.—

''(1) IN GENERAL.—From the funds described in subsection(a)(2), the Secretary may award grants to eligible entities to provide activities that will assist youth in preparing for, and entering and retaining, employment.

''(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to public or private entities that the Secretary determines would effectively carry out activities relating to youth under this subsection.

''(3) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 at the time the eligibility determination is made may be eligible to participate in activities under this subsection.

''(4) USE OF FUNDS.—Funds provided under this subsection may be used for activities that will assist youth in preparing for, and entering and retaining, employment, including the activities described in section 129 for out-of-school youth, activities designed to assist in-school youth to stay in school and gain work experience, and such other activities that the Secretary determines are appropriate.

''(5) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(6) ADDITIONAL REQUIREMENTS.—The Secretary may require the provision of a non-Federal share for projects funded under this subsection and may require participation of grantees in evaluations of such projects, including evaluations using the techniques as described in section 172(c).''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 169 to read as follows:

''Sec. 169. Youth challenge grants.''.

SEC. 430. TECHNICAL ASSISTANCE.

Section 170 (29 U.S.C. 2915) is amended—

(1) by striking subsection (b);

(2) by striking

''(a) GENERAL TECHNICAL ASSISTANCE.—'';

(3) by redesignating paragraphs (1), (2), and (3) as subsections (a), (b), and (c) respectively, and moving such subsections 2 ems to the left;

(4) in subsection (a) (as redesignated by paragraph (3))—

(A) by inserting ''the training of staff providing rapid response services, the training of other staff of recipients of funds under this title, peer review activities under this title, assistance regarding accounting and program operation practices (when such assistance would not be duplicative to assistance provided by the State), technical assistance to States that do not meet State performance measures described in section 136,'' after ''localities,''; and

(B) by striking ''from carrying out activities'' and all that follows up to the period and inserting ''to implement the amendments made by the Workforce Investment Improvement Act of 2007''; and

(5) by inserting, after subsection (c) (as redesignated by paragraph (3)), the following:

''(d) BEST PRACTICES COORDINATION.—The Secretary shall—

''(1) establish a system through which States may share information regarding best practices with regard to the operation of workforce investment activities under this Act;

''(2) evaluate and disseminate information regarding best practices and identify knowledge gaps; and

''(3) commission research under section 171(c) to address knowledge gaps identified under paragraph (2).''.

SEC. 431. DEMONSTRATION, PILOT, MULTISERVICE, RESEARCH AND MULTISTATE PROJECTS.

(a) DEMONSTRATION AND PILOT PROJECTS.—Section 171(b) (29 U.S.C. 2916(b)) is amended—

(1) in paragraph (1)—

(A) by striking ''Under a'' and inserting ''Consistent with the priorities specified in the'';

(B) by amending subparagraphs (A) through (D) to read as follows:

''(A) projects that assist national employers in connecting with the workforce investment system established under this title in order to facilitate the recruitment and employment of needed workers and to provide information to such system on skills and occupations in demand;

''(B) projects that promote the development of systems that will improve the effectiveness and efficiency of programs carried out under this title;

''(C) projects that focus on opportunities for employment in industries and sectors of industries that are experiencing or are likely to experience high rates of growth, including those relating to information technology;

''(D) projects carried out by States and local areas to test innovative approaches to delivering employment-related services;'';

(C) by striking subparagraph (E);

(D) by redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively;

(E) in subparagraph (F) (as so redesignated, by striking ''; and'' and inserting a semicolon;

(F) by inserting after subparagraph (F) (as so redesignated) the following:

''(G) projects carried out by States and local areas to assist adults or out of school youth in starting a small business, including training and assistance in business or financial management or in developing other skills necessary to operate a business;''; and

(G) by amending subparagraph (H) to read as follows:

''(H) projects that focus on opportunities for employment in industries and sectors of industries that are being transformed by technology and innovation requiring new knowledge or skill sets for workers, including advanced manufacturing; and''; and

(2) in paragraph (2)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B).

(b) MULTISERVICE PROJECTS.—Section 171(c)(2)(B) (29 U.S.C. 2916(c)(2)(B)) is amended to read as follows:

''(B) NET IMPACT STUDIES AND REPORTS.—The Secretary shall conduct studies to determine the net impacts of programs, services, and activities carried out under this title. The Secretary shall prepare and disseminate to Congress and the public reports containing the results of such studies.''.

SEC. 432. COMMUNITY-BASED JOB TRAINING.

Section 171(d) is amended to read as follows:

''(d) COMMUNITY-BASED JOB TRAINING.—

''(1) DEMONSTRATION PROJECT.—In addition to the demonstration projects under subsection (b), the Secretary may establish and implement a national demonstration project designed to develop local solutions to the workforce challenges facing high-growth, high-skill industries with labor shortages, and increase opportunities for workers to gain access to employment in high-growth, high-demand occupations by promoting the establishment of partnerships among education entities, the workforce investment system, and businesses in high-growth, high-skill industries.

''(2) GRANTS.—In carrying out the demonstration project under this subsection, the Secretary shall award competitive grants, in accordance with generally applicable Federal requirements, to eligible entities to carry out activities authorized under this subsection.

''(3) DEFINITIONS.—

''(A) ELIGIBLE ENTITY.—In this subsection, the term 'eligible entity' means a community college or consortium of community colleges that shall work in conjunction with—

''(i) the local workforce investment system; and

''(ii) business or businesses in a qualified industry or an industry association in a qualified industry.

''(B) QUALIFIED INDUSTRY.—In this subsection, the term 'qualified industry' means an industry or economic sector that is projected to experience significant growth, such as an industry and economic sector that—

''(i) is projected to add substantial numbers of new jobs to the economy;

''(ii) has significant impact on the economy;

''(iii) impacts the growth of other industries and economic sectors;

''(iv) is being transformed by technology and innovation requiring new knowledge or skill sets for workers;

''(v) is a new or emerging industry or economic sector that is projected to grow; or

''(vi) has high-skilled occupations and significant labor shortages in the local area.

''(C) COMMUNITY COLLEGE.—As used in this subsection, the term 'community college' means an institution of higher education, as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001), that provides not less than a 2-year program that is acceptable for full credit toward a bachelor's degree, or is a tribally controlled college or university.

''(4) AUTHORITY TO REQUIRE NON-FEDERAL SHARE.—The Secretary may require that recipients of grants under this subsection provide a non-Federal share, from either cash or noncash resources, of the costs of activities carried out under a grant awarded under this subsection.

''(5) USE OF FUNDS.—Grants awarded under this subsection may be used for—

''(A) the development, by a community college, in consultation with representatives of qualified industries, of rigorous training and education programs related to employment in a qualified industry identified in the eligible entity's application;

''(B) training of adults and dislocated workers in the skills and competencies needed to obtain or upgrade employment in a

qualified industry identified in the eligible entity's application;

''(C) disseminating to adults and dislocated workers, through the one-stop delivery system, information on high-growth, high-demand occupations in qualified industries;

''(D) placing, through the one-stop delivery system, trained individuals into employment in qualified industries; and

''(E) increasing the integration of community colleges with activities of businesses and the one-stop delivery system to meet the training needs for qualified industries.

''(6) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(A) a description of the eligible entity that will offer training under the grant;

''(B) an economic analysis of the local labor market to identify high-growth, high-demand industries, identify the workforce issues faced by those industries, and potential participants in programs funded under this subsection;

''(C) a description of the qualified industry for which training will occur and the availability of competencies on which training will be based and how the grant will help workers acquire the competencies and skills necessary for employment;

''(D) an assurance that the application was developed in consultation with the local board or boards and businesses, including small businesses, in the geographic area or areas where the proposed grant will be used;

''(E) performance measures for the grant, including expected number of individuals to be trained in a qualified industry, the employment and retention rates for such individuals in a qualified industry, and earnings increases for such individuals;

''(F) a description of how the activities funded by the proposed grant will be coordinated with activities provided through the one-stop delivery system in the local area or areas; and

''(G) a description of any local or private resources that will support the activities carried out under this subsection and allow the entity to carry out and expand such activities after the expiration of the grant.

''(7) FACTORS FOR AWARD OF GRANT.—

''(A) IN GENERAL.—In awarding grants under this subsection the Secretary shall consider—

''(i) the extent of public and private collaboration, including existing partnerships among industries, community colleges, and the public workforce investment system;

''(ii) the extent to which the grant will provide job seekers with employment opportunities in high-growth, high-demand occupations;

''(iii) the extent to which the grant will expand the eligible entity and local one-stop delivery system's capacity to be demand-driven and responsive to local economic needs;

''(iv) the extent to which local businesses commit to hire or retain individuals who receive training through the grant; and

''(v) the extent to which the eligible entity commits to make any newly developed products, such as competencies or training curriculum, available for distribution nationally.

''(B) LEVERAGING OF RESOURCES.—In awarding grants under this subsection, the Secretary shall also consider—

''(i) the extent to which local or private resources, in addition to the funds provided under this subsection, will be made available to support the activities carried out under this subsection; and

''(ii) the ability of an eligible entity to continue to carry out and expand such activities after the expiration of the grant.

''(C) DISTRIBUTION OF GRANTS.—In awarding grants under this subsection the Secretary shall ensure an equitable distribution of such grants across geographically diverse areas.

''(8) PERFORMANCE ACCOUNTABILITY AND EVALUATION.—

''(A) PERFORMANCE ACCOUNTABILITY.—The Secretary shall require an eligible entity that receives a grant under this subsection to report to the Secretary on the employment outcomes obtained by individuals receiving training under this subsection using the indicators of performance identified in the eligible entity's grant application.

''(B) EVALUATION.—The Secretary may require that an eligible entity that receives a grant under this subsection participate in an evaluation of activities carried out under this subsection, including an evaluation using the techniques described in section 172(c).''.

SEC. 433. EVALUATIONS.

(a) IMPACT ANALYSIS.—Section 172(a)(4) (29 U.S.C. 2917(a)(4)) is amended to read as follows:

''(4) the impact of receiving services and not receiving services under such programs and activities on the community, businesses, and individuals;''; and

(b) TECHNIQUES.—Section 172(c) (29 U.S.C. 2917(c)) is amended to read as follows:

''(c) TECHNIQUES.—Evaluations conducted under this section shall utilize appropriate and rigorous methodology and research designs, including the use of control groups chosen by scientific random assignment methodologies, quasi-experimental methods, impact analysis and the use of administrative data. The Secretary shall conduct an impact analysis, as described in subsection (a)(4), of the formula grant programs under subtitle B not later than 2010, and thereafter shall conduct such an analysis not less than once every four years.''.

SEC. 434. NATIONAL DISLOCATED WORKER GRANTS.

(a) IN GENERAL.—Section 173 (29 U.S.C. 2916) is amended—

(1) by amending the designation and heading to read as follows:

''SEC. 173. NATIONAL DISLOCATED WORKER GRANTS.'';

and

(2) in subsection (a)—

(A) by striking ''national emergency grants'' in the matter preceding paragraph (1) and inserting ''national dislocated worker grants''; and

(B) in paragraph (1), by striking ''subsection (c)'' and inserting ''subsection (b)''.

(3) by striking subsections (b) and (e) and redesignating subsections (c), (d), (f), and (g) as subsections (b) through (e), respectively;

(4) in subsection (b)(1)(B) as so redesignated), by striking '', and other entities'' and all that follows and inserting a period; and

(5) in subsection (b)(2)(A) (as so redesignated)—

(A) in clause (iii), by striking ''; or'' and inserting a semicolon;

(B) in clause (iv)(IV) by striking the period and inserting ''; or''; and

(C) by inserting at the end the following:

''(v) is the spouse of a member of the Armed Forces who is on active duty or full-time National Guard duty, or who was recently separated from such duties, and such spouse is in need of employment and training assistance to obtain or retain employment.''.

(b) CONFORMING AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 173 to read as follows:

''Sec. 173. National dislocated worker grants.''.

SEC. 435. AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL ACTIVITIES.

(a) IN GENERAL.—Section 174(a)(1) (29 U.S.C. 2919(a)(1)) is amended by striking ''1999 through 2003'' and inserting ''2008 through 2012''.

(b) RESERVATIONS.—Section 174(b) is amended to read as follows:

''(b) TECHNICAL ASSISTANCE; DEMONSTRATION AND PILOT PROJECTS; EVALUATIONS; INCENTIVE GRANTS.—

''(1) DEMONSTRATION AND PILOT PROJECTS.—There are authorized to be appropriated to carry out section 171, such sums as may be necessary for fiscal years 2008 through 2012.

''(2) TECHNICAL ASSISTANCE, EVALUATIONS.—There are authorized to be appropriated to carry out section 170, section 172, and section 136 such sums as may be necessary for each of fiscal years 2008 through 2012.''.

SEC. 436. REQUIREMENTS AND RESTRICTIONS.

(a) IN GENERAL.—Section 181(c)(2)(A) (29 U.S.C. 2931(c)(2)(A)) is amended in the matter preceding clause (i) by striking ''shall'' and inserting ''may''.

(b) LIMITATIONS.—Section 181(e) (29 U.S.C. 2931(e)) is amended by striking ''training for'' and inserting ''the entry into employment, retention in employment, or increases in earnings of''.

(c) SALARY CAP.—Section 181 (29 U.S.C. 2931) is further amended by adding at the end the following new subsection:

''(g) SALARY AND BONUS LIMITATION.—No funds provided under this title shall be used by a recipient or subrecipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Level II of the Federal Executive Pay Schedule (5 U.S.C. 5313). This limitation shall not apply to vendors providing goods and services as defined in OMB Circular A–133. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from subrecipients of such funds, taking into account factors including the relative cost-of-living in the State, the compensation levels for comparable State or local government employees, and the size of the organizations that administer the programs.''.

(d) REPORTS TO CONGRESS.—Section 185 (29 U.S.C. 2935) is amended—

(1) in subsection (c)—

(A) in paragraph (2), by striking ''and'' after the semicolon;

(B) in paragraph (3), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(4) shall have the option to submit or disseminate electronically any reports, records, plans, or any other data that are required to be collected or disseminated under this title.''; and

(2) in paragraph (e)(2), by inserting ''and the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate,'' after ''Secretary,''.

SEC. 437. NONDISCRIMINATION.

Section 188(a)(2) (29 U.S.C. 2931(a)(2)) is amended to read as follows:

''(2) PROHIBITION OF DISCRIMINATION REGARDING PARTICIPATION, BENEFITS, AND EMPLOYMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), no individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with, any such program or activity because of race, color, religion, sex (except as otherwise permitted under title IX of the Education Amendments of 1972), national origin, age, disability, or political affiliation or belief.

''(B) EXEMPTION FOR RELIGIOUS ORGANIZATIONS.—Subparagraph (A) shall not apply to a recipient of financial assistance under this title that is a religious corporation, association, educational institution, or society, with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities. Such recipients shall comply with the other requirements contained in subparagraph (A).''.

SEC. 438. ADMINISTRATIVE PROVISIONS.

(a) PROGRAM YEAR.—Section 189(g)(1) (29 U.S.C. 2939(g)(1)) is amended to read as follows:

''(1) IN GENERAL.—Appropriations for any fiscal year for programs and activities carried out under this title shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.''.

(b) AVAILABILITY.—Section 189(g)(2) (29 U.S.C. 2939(g)(2)) is amended by striking ''each State'' and inserting ''each recipient''.

(c) GENERAL WAIVERS.—Section 189(i)(4) (29 U.S.C. 2939(i)(4)) is amended—

(1) in subparagraph (A)—

(A) in the matter preceding clause (i), by inserting '', or in accordance with subparagraph (D)'' after ''subparagraph (B)''; and

(B) by striking clause (ii), the clause (i) designation and the dash preceding such designation, and moving the remaining text flush with the preceding matter; and

(2) by adding the following subparagraph:

''(D) EXPEDITED PROCESS FOR EXTENDING APPROVED WAIVERS TO ADDITIONAL STATES.—In lieu of the requirements of subparagraphs (B) and (C), the Secretary may establish an expedited procedure for the purpose of extending to additional States the waiver of statutory or regulatory requirements that have been approved for a State pursuant to a request under subparagraph (B). Such procedure shall ensure that the extension of such waivers to additional States are accompanied by appropriate conditions relating the implementation of such waivers.''.

SEC. 439. STATE LEGISLATIVE AUTHORITY.

Section 191is amended—

(1) in subsection (a), by striking ''consistent with the provisions of this title'' and inserting ''consistent with State law and the provisions of this title''; and

(2) in subsection (a), by striking ''consistent with the terms and conditions required under this title'' and inserting ''consistent with State law and the terms and conditions required under this title''.

SEC. 440. WORKFORCE INNOVATION IN REGIONAL ECONOMIC DEVELOPMENT.

(a) WORKFORCE INNOVATION IN REGIONAL ECONOMIC DEVELOPMENT.—Section 192 (29 U.S.C. 2942) is amended to read as follows:

''SEC. 192. WORKFORCE INNOVATION IN REGIONAL ECONOMIC DEVELOPMENT.

''(a) WORKFORCE INNOVATION IN REGIONAL ECONOMIC DEVELOPMENT PLANS.—

''(1) IN GENERAL.—The Secretary, in cooperation with other federal agency heads responsible for the administration of programs included in plans submitted under this subsection, may approve Workforce Innovation in Regional Economic Development (in this subsection referred to as WIRED) plans submitted by a State pursuant to paragraph (2) to support the development of regional economies in order to foster economic development, expand employment, and advancement opportunities for workers and to promote the creation of high-skill and high-wage opportunities.

''(2) CONTENTS OF PLAN.—To have a WIRED plan approved under this subsection, a State and the region or regions identified in subparagraph (A) shall jointly submit a plan to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(A) the identification of the multi-county region or regions that is to be the focus of the activities provided under the plan, including identification of the communities in the region that share common characteristics, and a description of why the selected area comprises a regional economy;

''(B) a description of the broad-based regional partnership that has been created for the region identified in subparagraph (A) representing the major assets of the region, consistent with the requirements of paragraph (3), and that will assist in developing the economic vision described in subparagraph (D), the strategies described in subparagraph (E), and provide a forum for regional economic decision-making, including a description of the partnership's involvement, particularly that of representatives of affected local boards and chief elected officials, in the development of the plan;

''(C) a description of the assets of the region identified in subparagraph (A), based on a regional assessment, and identification of the strengths, weaknesses, opportunities, and risks based on those assets;

''(D) a description of an economic vision for the region identified in subparagraph (A), based on the identified strengths and assets described in subparagraph (C), and evidence of support for that vision from the broad-based regional partnership described in subparagraph (B);

''(E) a description of the talent development and related strategies that provide a blueprint for how to achieve the economic vision for the region as described in subparagraph (D), including the activities to be carried out under this subsection, consistent with paragraphs (5) and (6), and the identification of specific goals associated with those strategies;

''(F) information on the workforce development programs to be integrated in the region, in accordance with the requirements of paragraph (4), into an integrated workforce development program, including—

''(i) identification of the programs to be integrated;

''(ii) the amount and proportion of the resources available to the region under each of the integrated programs to carry out the strategies described in subparagraph (E);

''(iii) a description of how these resources will be used to accomplish the vision identified in subparagraph (D), including the services to be provided and how such services will be provided, consistent with clause (iv) and paragraph (5);

''(iv) assurances that in carrying out the wired plan—

''(I) the region, through the integrated workforce development program, will maintain a local workforce investment board, or a regional workforce investment board, that is substantially similar to the local workforce investment boards required under section 117 of this Act, that such board will carry out functions that are substantially similar to those described under section 117(d), and, that such region shall submit to the State for approval a local plan for the region that is substantially similar to the local plans required under section 118 of this Act;

''(II) the region, through the integrated workforce development program, will maintain a one-stop delivery system that is consistent with the requirements of section 121 of this Act;

''(III) the region, through the integrated workforce development program, will serve populations consistent with the populations served by the programs being integrated, and will provide universal access to work ready services as described in section 134(d)(2) of this Act;

''(IV) the region, in carrying out the integrated workforce development program, will comply with the veterans' priority of service requirement under section 4215 of title 38, United States Code;

''(V) of the funds expended under the integrated workforce development program each year, not more than 10 percent of such funds will be expended on the costs of administration (as defined by the Secretary);

''(VI) the services provided under the integrated workforce development program will be coordinated with employment-related programs not included under the integrated workforce program;

''(VII) the region, in carrying out the integrated workforce development program, will comply with requirements under this title relating to wage and labor standards (including nondisplacement provisions), grievance procedures and judicial review, and nondiscrimination;

''(G) an assurance that each local workforce board and chief elected official included in the region that will carry out the integrated workforce development plan has approved the plan;

''(H) information on the community and economic development programs, if any, that will provide a portion of funds that will be integrated to carry out the strategies described in subparagraph (E), in accordance with the requirements of paragraph (6), including—

''(i) identification of the included community and economic development programs;

''(ii) the amount and proportion of the resources available to the State under each such program that will be used in the region to carry out the strategies described in subparagraph (E);

''(iii) a description of how these resources will be used to assist in accomplishing the vision identified in subparagraph (D), including the activities to be carried out;

''(I) in addition to the resources described under subparagraphs (F) and (G), identification of other resources that will be used to support the strategies of the region described in subparagraph (E), from a wide range of sources, including foundations, private investment such as venture capital, and federal, state, and local governments.

''(3) BROAD-BASED REGIONAL PARTNERSHIP.—For purposes of this subsection, a broad-based regional partnership—

''(A) shall include—

''(i) representatives from each of the local workforce investment systems in the region identified under paragraph (2)(A), such as the chairpersons or executive directors of affected local workforce investment boards in such region;

''(ii) representatives of the education system in the region identified under paragraph (2)(A), including representatives from each of the following:

''(I) The K–12 public school systems;

''(II) Community colleges; and

''(III) Four-year educational institutions;

''(iii) representatives of businesses and industry associations in the region identified under paragraph (2)(A);

''(iv) the chief elected officials from each of the affected local areas identified under paragraph (2)(A); and

''(v) representatives of local and regional economic development agencies in the region identified under paragraph (2)(A); and

''(B) may include—

''(i) representatives of the philanthropic community;

''(ii) representatives of postsecondary education and training providers in addition to those described in subparagraph (A)(ii);

''(iii) representatives of private investment entities such as seed and venture capital organizations; investor networks; and entrepreneurs;

''(iv) representatives of faith and community-based organizations; and

''(v) representatives of such other Federal, state or local entities and organizations that may enhance the carrying out of the activities of the partnership.

''(4) INTEGRATION OF WORKFORCE DEVELOPMENT SERVICES AUTHORIZED.—

''(A) AUTHORIZATION FOR INTEGRATION.—In carrying out this subsection, the Secretary of Labor, in cooperation with the federal agency heads responsible for the administration of the workforce development programs described in subparagraph (D) that are included in the WIRED plan submitted by the State, shall, upon the approval of the plan submitted under paragraph (2), authorize the State to integrate programs as described in subparagraph (B).

''(B) INTEGRATION.—The authorization shall give the State the authority to integrate, in accordance with such approved plan, the federally-funded programs described in subparagraph (D) that are included in the approved plan, in a manner that integrates those programs into a single, coordinated, comprehensive workforce development program to achieve the economic vision identified in such plan for the region.

''(C) EFFECT ON PROGRAM REQUIREMENTS.—The provisions of the approved grant application and the requirements of this subsection shall supersede the requirements of the statutes authorizing the programs included for integration in such approved plan, except as otherwise specified in this subsection.

''(D) INCLUDED WORKFORCE DEVELOPMENT PROGRAMS.—

''(i) MANDATORY PROGRAMS.—A WIRED plan authorized under this subsection shall include the workforce investment activities for adults authorized under chapter 5 of subtitle B.

''(ii) ADDITIONAL PROGRAMS.—In addition to the integration of the programs described in clause (i) into a single program, a WIRED plan may include integration of one or more of the following programs as part of such single program—

''(I) the program of workforce investment activities for youth authorized under chapter 4 of subtitle B; or

''(II) any of the other required one-stop partner programs and activities described in section 121(b)(1)(B) of this Act.

''(5) WORKFORCE DEVELOPMENT ACTIVITIES TO BE CARRIED OUT UNDER WIRED PLAN.—The workforce development activities carried out under a WIRED plan may include—

''(A) job training and related activities for workers to assist them in gaining the skills and competencies needed to obtain or upgrade employment in industries or economic sectors projected to experience significant growth in the region identified in paragraph (2)(A), including—

''(i) activities supporting talent development related to entrepreneurship and small business development; and

''(ii) the purchase of equipment to train job seekers and workers for high-growth occupations;

''(B) activities to enhance the training and related activities described in subparagraph (A) and to promote workforce development in the region identified in paragraph (2)(A), including—

''(i) the development and implementation of model activities, such as developing appropriate curricula to build core competencies and train workers in the region;

''(ii) identifying and disseminating career and skill information relating to the region;

''(iii) developing or purchasing regional data tools or systems to deepen understanding of the regional economy and labor market; and

''(iv) integrated regional planning, such as increasing the integration of community and technical college activities with activities of businesses and the public workforce investment system to meet the training needs of high growth industries in the region.

''(C) appropriate employment-related activities and services authorized under the workforce development programs that are integrated under the plan in accordance with paragraphs (2)(F) and (4) that will assist achieving the economic vision described in paragraph (2)(D) and in implementing the strategies described in paragraph (2)(E).

''(6) INTEGRATION OF COMMUNITY AND ECONOMIC DEVELOPMENT FUNDS AUTHORIZED.—

''(A) AUTHORIZATION FOR INTEGRATION OF FUNDS.—In carrying out this subsection, the Secretary of Labor, in cooperation with the federal agency heads responsible for the administration of the community and economic development programs described in subparagraph (D) that are included in the WIRED plan submitted by the State, shall, upon the approval of the plan submitted under paragraph (2), authorize the State to integrate the portion of the funds from such programs to assist in implementing such plans.

''(B) INTEGRATION.—The authorization shall give the State the authority to integrate, in accordance with such approved plan, funds provided under programs identified from subparagraph (D) to carry out the community and economic development activities described in paragraph (2)(G).

''(C) EFFECT ON PROGRAM REQUIREMENTS.—The integrated funds may be used, consistent with the description contained in paragraph (2)(G), to carry out any of the activities authorized under any the programs described in subparagraph (D) that are included in the plan.

''(D) INCLUDED COMMUNITY AND ECONOMIC DEVELOPMENT PROGRAMS.—The funds that may be integrated under this paragraph are funds provided under—

''(i) Community Development Block Grants authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301–5321);

''(ii) grants authorized under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.);

''(iii) Public Works and Economic Development Grants authorized under section 201 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141);

''(iv) Rural Business Enterprise Grants authorized under the Consolidated Farm and Rural Development Act (7 U.S.C. 1932);

''(v) Rural Business Opportunity Grants authorized under section 741(a)(11) of the Federal Agriculture Improvement and Reform Act of 1996 (42 U.S.C. 1926(a)(11);

''(vi) grants authorized under the Brownfields Economic Development Initiative; and

''(vii) Rural Housing and Economic Development grants.

''(7) SPECIAL RULE.—If a State elects not to submit a WIRED plan described in paragraph (2) for approval or does not have a plan approved under paragraph (2), the Secretary may approve a WIRED plan submitted by a local workforce investment board or a regional workforce investment board that serves a region within such State, if the plan meets all other requirements of this section.

''(8) PERFORMANCE MEASURES AND REPORTING.—

''(A) PERFORMANCE MEASURES.—The Secretary shall establish performance measures that will be used to evaluate the effectiveness of activities carried out under this subsection and shall require such entities to report to the Secretary on the employment outcomes obtained by individuals receiving training under this subsection using those core indicators of performance described in section 136(b)(2).

''(B) REPORTING.—Each State with an approved plan under this subsection shall ensure that records are maintained and reports are submitted, in such form and containing such information, as the Secretary may require regarding the performance of programs and activities carried out under this subsection.

''(9) TECHNICAL ASSISTANCE AND EVALUATION.—

''(A) TECHNICAL ASSISTANCE.—The Secretary shall provide such staff training, technical assistance, and other activities as the Secretary deems appropriate to support the implementation of this subsection.

''(B) EVALUATION.—The Secretary may require that States with an approved plan under this subsection to participate in an evaluation of activities carried out under this subsection, including an evaluation using the techniques described in section 172(c).

''(10) PLAN REVIEW.—Upon receipt of a WIRED plan from the Governor, the Secretary shall consult with the Federal agency head responsible for the administration of any of the programs included in the plan pursuant to paragraph (4) or (6).

''(11) FEDERAL RESPONSIBILITIES.—

''(A) INTERAGENCY MEMORANDUM OF UNDERSTANDING.—Within 90 days following the date of enactment of this subsection, the Secretary and the federal agency heads responsible for programs that could be included in a plan approved under this subsection pursuant to paragraph (4) or (6) shall enter into an interdepartmental memorandum of agreement providing for the implementation of WIRED plans with respect to the integration of programs and funds administered by each Secretary.

''(B) INTERAGENCY FUNDS TRANSFERS AUTHORIZED.—The Secretary and the federal agency heads responsible for the programs that are included in a plan approved under paragraph (4) or (6) are authorized to take such action as may be necessary to provide for intra-agency or interagency transfers of funds otherwise available to a State in order to further the purposes of this subsection.

''(12) ADMINISTRATION OF FUNDS.—

''(A) SEPARATE RECORDS NOT REQUIRED.—Nothing in this subsection shall be construed as requiring the region to maintain separate records tracing any services or activities conducted under an approved WIRED plan to the programs under which funds were originally authorized, nor shall the State be required to allocate expenditures among such programs.

''(B) SINGLE AUDIT ACT.—Nothing in this section shall be construed to interfere with the ability of the Secretary to fulfill the responsibilities for the safeguarding of Federal funds pursuant to the Single Audit Act of 1984.

''(b) AUTHORITY TO CARRY OUT ADDITIONAL WIRED ACTIVITIES UNDER WIA.—

''(1) AUTHORIZATION FOR USE OF CERTAIN FUNDS UNDER WIA.—Funds available under sections 128(a), 133(a), 171, and 173 of this Act may be used by recipients and subrecipients of those funds for WIRED activities, as defined in paragraph (2), in addition to the other activities for which such funds are authorized to be used.

''(2) DEFINITION.—For purposes of this subsection, WIRED activities include—

''(A) WIRED planning activities, including—

''(i) defining the regional economy;

''(ii) creating a broad-based regional partnership that assists in developing the economic vision described in clause (iv), the strategies described in clause (v), and that provides a forum for regional economic decision-making;

''(iii) conducting an assessment of the regional economy to map the assets of a region and identify the strengths, weaknesses, opportunities and risks based on those assets;

''(iv) developing an economic vision based on those strengths and assets;

''(v) developing strategies and corresponding implementation plans that identify specific goals and tasks and provides a blueprint for how to achieve the economic vision for the region; and

''(vi) identifying resources to support the plan of the region;

''(B) job training and related activities for workers to assist them in gaining the skills and competencies needed to obtain or upgrade employment in industries or economic sectors projected to experience significant growth in the region, including—

''(i) activities supporting talent development related to entrepreneurship and small business development in the region; and

''(ii) the purchase of equipment to train job seekers and workers for high-growth occupations in the region; and

''(C) activities to enhance training and related activities and to promote workforce development in the region, including—

''(i) the development and implementation of model activities, such as developing appropriate curricula to build core competencies and train workers in the region;

''(ii) identifying and disseminating career and skill information relating to the region;

''(iii) developing or purchasing regional data tools or systems to deepen understanding of the regional economy and labor market; and

''(iv) integrated regional planning, such as increasing the integration of community and technical college activities with activities of businesses and the public workforce investment system to meet the training needs of businesses in the region.''.

SEC. 441. GENERAL PROGRAM REQUIREMENTS.

Section 195 (29 U.S.C. 2945) is amended—

(1) in paragraph (7) by inserting at the end the following:

''(D) Funds received by a public or private nonprofit entity that are not described in paragraph (B), such as funds privately raised from philanthropic foundations, businesses, or other private entities, shall not be considered to be income under this title and shall not be subject to the requirements of this section.'';

(2) by adding at the end the following new paragraphs:

''(14) Funds provided under this title shall not be used to establish or operate standalone fee-for-service enterprises that compete with private sector employment agencies within the meaning of section 701(c) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(c)). For purposes of this paragraph, such an enterprise does not include one-stop centers.

''(15) Any report required to be submitted to Congress, or to a Committee of Congress, under this title shall be submitted to both the chairmen and ranking minority members of the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.''.

Subtitle B—Adult Education, Basic Skills, and Family Literacy Education

SEC. 451. TABLE OF CONTENTS.

The table of contents in section 1(b) is amended by amending the items relating to title II to read as follows:

SEC. 452. AMENDMENT.

Title II (29 U.S.C. 2901 et seq.) is amended to read as follows:

''TITLE II—ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION

''SEC. 201. SHORT TITLE.

''This title may be cited as the 'Adult Education, Basic Skills, and Family Literacy Education Act'.

''SEC. 202. PURPOSE.

''It is the purpose of this title to provide instructional opportunities for adults seeking to improve their literacy skills, including their basic reading, writing, speaking, and math skills, and support States and local communities in providing, on a voluntary basis, adult education, basic skills, and family literacy education programs, in order to—

''(1) increase the literacy of adults, including the basic reading, writing, speaking, and math skills, to a level of proficiency necessary for adults to obtain employment and self-sufficiency and to successfully advance in the workforce;

''(2) assist adults in the completion of a secondary school education (or its equivalent) and the transition to a postsecondary educational institution;

''(3) assist adults who are parents to enable them to support the educational development of their children and make informed choices regarding their children's education including, through instruction in basic reading, writing, speaking, and math skills; and

''(4) assist immigrants who are not proficient in English in improving their reading, writing, speaking, and math skills and acquiring an understanding of the American free enterprise system, individual freedom, and the responsibilities of citizenship.

''SEC. 203. DEFINITIONS.

''In this title:

''(1) ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION PROGRAMS.—The term 'adult education, basic skills, and family literacy education programs' means a sequence of academic instruction and educational services below the postsecondary level that increase an individual's ability to read, write, and speak in English and perform mathematical computations leading to a level of proficiency equivalent to at least a secondary school completion that is provided for individuals—

''(A) who are at least 16 years of age;

''(B) who are not enrolled or required to be enrolled in secondary school under State law; and

''(C) who—

''(i) lack sufficient mastery of basic reading, writing, speaking, and math skills to enable the individuals to function effectively in society;

''(ii) do not have a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent and have not achieved an equivalent level of education; or

''(iii) are unable to read, write, or speak the English language.

''(2) ELIGIBLE AGENCY.—The term 'eligible agency'—

''(A) means the primary entity or agency in a State or an outlying area responsible for administering or supervising policy for adult education, basic skills, and family literacy education programs in the State or outlying area, respectively, consistent with the law of the State or outlying area, respectively; and

''(B) may be the State educational agency, the State agency responsible for administering workforce investment activities, or the State agency responsible for administering community or technical colleges.

''(3) ELIGIBLE PROVIDER.—The term 'eligible provider' means—

''(A) a local educational agency;

''(B) a community-based or faith-based organization of demonstrated effectiveness;

''(C) a volunteer literacy organization of demonstrated effectiveness;

''(D) an institution of higher education;

''(E) a public or private educational agency;

''(F) a library;

''(G) a public housing authority;

''(H) an institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide adult education, basic skills, and family literacy education programs to adults and families; or

''(I) a consortium of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H).

''(4) ENGLISH LANGUAGE ACQUISITION PROGRAM.—The term 'English language acquisition program' means a program of instruction designed to help individuals with limited English proficiency achieve competence in reading, writing, and speaking the English language.

''(5) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term 'essential components of reading instruction' has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965.

''(6) FAMILY LITERACY EDUCATION PROGRAM.—The term 'family literacy education program' means an educational program that—

''(A) assists parents and students, on a voluntary basis, in achieving the purposes of this title as described in section 202; and

''(B) is of sufficient intensity in terms of hours and of sufficient duration to make sustainable changes in a family, is based upon scientifically based research, and, for the purpose of substantially increasing the ability of parents and children to read, write, and speak English, integrates—

''(i) interactive literacy activities between parents and their children;

''(ii) training for parents regarding how to be the primary teacher for their children and full partners in the education of their children;

''(iii) parent literacy training that leads to economic self-sufficiency; and

''(iv) an age-appropriate education to prepare children for success in school and life experiences.

''(7) GOVERNOR.—The term 'Governor' means the chief executive officer of a State or outlying area.

''(8) INDIVIDUAL WITH A DISABILITY.—

''(A) IN GENERAL.—The term 'individual with a disability' means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990).

''(B) INDIVIDUALS WITH DISABILITIES.—The term 'individuals with disabilities' means more than one individual with a disability.

''(9) INDIVIDUAL WITH LIMITED ENGLISH PROFICIENCY.—The term 'individual with limited English proficiency' means an adult or out-of-school youth who has limited ability in reading, writing, speaking, or understanding the English language, and—

''(A) whose native language is a language other than English; or

''(B) who lives in a family or community environment where a language other than English is the dominant language.

''(10) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given to that term in section 101 of the Higher Education Act of 1965.

''(11) LITERACY.—The term 'literacy' means an individual's ability to read, write, and speak in English, compute, and solve problems at a level of proficiency necessary to obtain employment and to successfully make the transition to postsecondary education.

''(12) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(13) OUTLYING AREA.—The term 'outlying area' has the meaning given to that term in section 101 of this Act.

''(14) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term 'postsecondary educational institution' means—

''(A) an institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor's degree;

''(B) a tribally controlled community college; or

''(C) a nonprofit educational institution offering certificate or apprenticeship programs at the postsecondary level.

''(15) READING.—The term 'reading' has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965.

''(16) SCIENTIFICALLY BASED RESEARCH.—The term 'scientifically based research' has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(17) SECRETARY.—The term 'Secretary' means the Secretary of Education.

''(18) STATE.—The term 'State' means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

''(19) STATE EDUCATIONAL AGENCY.—The term 'State educational agency' has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(20) WORKPLACE LITERACY PROGRAM.—The term 'workplace literacy program' means an educational program that is offered in collaboration between eligible providers and employers or employee organizations for the purpose of improving the productivity of the workforce through the improvement of reading, writing, speaking, and math skills.

''SEC. 204. HOME SCHOOLS.

''Nothing in this title shall be construed to affect home schools, whether or not a home school is treated as a home school or a private school under State law, or to compel a parent engaged in home schooling to participate in an English language acquisition program, a family literacy education program, or an adult education, basic skills, and family literacy education program.

''SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this title $590,127,000 for fiscal year 2008 and such sums as may be necessary for fiscal years 2009 through 2012.

''CHAPTER 1—FEDERAL PROVISIONS

''SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE AGENCIES; ALLOTMENTS.

''(a) RESERVATION OF FUNDS.—From the sums appropriated under section 205 for a fiscal year, the Secretary—

''(1) shall reserve up to 1.72 percent for incentive grants under section 213;

''(2) shall reserve 1.75 percent to carry out section 242; and

''(3) shall reserve up to 1.55 percent to carry out section 243.

''(b) GRANTS TO ELIGIBLE AGENCIES.—

''(1) IN GENERAL.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall award a grant to each eligible agency having a State plan approved under section 224 in an amount equal to the sum of the initial allotment under subsection (c)(1) and the additional allotment under subsection (c)(2) for the eligible agency for the fiscal year, subject to subsections (f) and (g).

''(2) PURPOSE OF GRANTS.—The Secretary may award a grant under paragraph (1) only if the eligible agency involved agrees to expend the grant in accordance with the provisions of this title.

''(c) ALLOTMENTS.—

''(1) INITIAL ALLOTMENTS.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to each eligible agency having a State plan approved under section 224—

''(A) $100,000, in the case of an eligible agency serving an outlying area; and

''(B) $250,000, in the case of any other eligible agency.

''(2) ADDITIONAL ALLOTMENTS.—From the sums appropriated under section 205, not reserved under subsection (a), and not allotted under paragraph (1), for a fiscal year, the Secretary shall allot to each eligible agency that receives an initial allotment under paragraph (1) an additional amount that bears the same relationship to such sums as the number of qualifying adults in the State or outlying area served by the eligible agency bears to the number of such adults in all States and outlying areas.

''(d) QUALIFYING ADULT.—For the purpose of subsection (c)(2), the term 'qualifying adult' means an adult who—

''(1) is at least 16 years of age;

''(2) is beyond the age of compulsory school attendance under the law of the State or outlying area;

''(3) does not have a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent; and

''(4) is not enrolled in secondary school.

''(e) SPECIAL RULE.—

''(1) IN GENERAL.—From amounts made available under subsection (c) for the Republic of Palau, the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or the Republic of Palau to carry out activities described in this title in accordance with the provisions of this title as determined by the Secretary.

''(2) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of Palau shall be eligible to receive a grant under this title until an agreement for the extension of United States education assistance under the Compact of Free Association for the Republic of Palau becomes effective.

''(3) ADMINISTRATIVE COSTS.—The Secretary may provide not more than 5 percent of the funds made available for grants under this subsection to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this subsection.

''(f) HOLD-HARMLESS PROVISIONS.—

''(1) IN GENERAL.—Notwithstanding subsection (c), and subject to paragraphs (2) and (3), for fiscal year 2008 and each succeeding fiscal year, no eligible agency shall receive an allotment under this title that is less than 90 percent of the allotment the eligible agency received for the preceding fiscal year under this title.

''(2) EXCEPTION.—An eligible agency that receives for the preceding fiscal year only an initial allotment under subsection (c)(1) (and no additional allotment under subsection (c)(2)) shall receive an allotment equal to 100 percent of the initial allotment.

''(3) RATABLE REDUCTION.—If for any fiscal year the amount available for allotment under this title is insufficient to satisfy the provisions of paragraph (1), the Secretary shall ratably reduce the payments to all eligible agencies, as necessary.

''(g) REALLOTMENT.—The portion of any eligible agency's allotment under this title for a fiscal year that the Secretary determines will not be required for the period such allotment is available for carrying out activities under this title, shall be available for reallotment from time to time, on such dates during such period as the Secretary shall fix, to other eligible agencies in proportion to the original allotments to such agencies under this title for such year.

''SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.

''(a) PURPOSE.—The purpose of this section is to establish a comprehensive performance accountability system, composed of the activities described in this section, to assess the effectiveness of eligible agencies in achieving continuous improvement of adult education, basic skills, and family literacy education programs funded under this title, in order to optimize the return on investment of Federal funds in adult education, basic skills, and family literacy education programs.

''(b) ELIGIBLE AGENCY PERFORMANCE MEASURES.—

''(1) IN GENERAL.—For each eligible agency, the eligible agency performance measures shall consist of—

''(A)(i) the core indicators of performance described in paragraph (2)(A); and

''(ii) employment performance indicators identified by the eligible agency under paragraph (2)(B); and

''(B) an eligible agency adjusted level of performance for each indicator described in subparagraph (A).

''(2) INDICATORS OF PERFORMANCE.—

''(A) CORE INDICATORS OF PERFORMANCE.—The core indicators of performance shall include the following:

''(i) Measurable improvements in literacy, including basic skill levels in reading, writing, and speaking the English language and basic math, leading to proficiency in each skill.

''(ii) Receipt of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent.

''(iii) Placement in postsecondary education or other training programs.

''(B) EMPLOYMENT PERFORMANCE INDICATORS.—Consistent with applicable Federal and State privacy laws, an eligible agency shall identify in the State plan the following individual participant employment performance indicators:

''(i) Entry into employment.

''(ii) Retention in employment.

''(iii) Increase in earnings.

''(3) LEVELS OF PERFORMANCE.—

''(A) ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS.—

''(i) IN GENERAL.—For each eligible agency submitting a State plan, there shall be established, in accordance with this subparagraph, levels of performance for each of the core indicators of performance described in paragraph (2)(A) for adult education, basic skills, and family literacy education programs authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

''(I) be expressed in an objective, quantifiable, and measurable form; and

''(II) show the progress of the eligible agency toward continuously and significantly improving the agency's performance outcomes in an objective, quantifiable, and measurable form.

''(ii) IDENTIFICATION IN STATE PLAN.—Each eligible agency shall identify, in the State plan submitted under section 224, expected levels of performance for each of the core indicators of performance for the first 3 program years covered by the State plan.

''(iii) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 3 YEARS.—In order to ensure an optimal return on the investment of Federal funds in adult education, basic skills, and family literacy education programs authorized under this title, the Secretary and each eligible agency shall reach agreement on levels of student performance for each of the core indicators of performance, for the first 3 program years covered by the State plan, taking into account the levels identified in the State plan under clause (ii) and the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan prior to the approval of such plan.

''(iv) FACTORS.—The agreement described in clause (iii) or (v) shall take into account—

''(I) how the levels involved compare with the eligible agency's adjusted levels of performance, taking into account factors including the characteristics of participants when the participants entered the program; and

''(II) the extent to which such levels promote continuous and significant improvement in performance on the student proficiency measures used by such eligible agency and ensure optimal return on the investment of Federal funds.

''(v) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR SECOND 3 YEARS.—Prior to the fourth program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on levels of student performance for each of the core indicators of performance for the fourth, fifth, and sixth program years covered by the State plan, taking into account the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan.

''(vi) REVISIONS.—If unanticipated circumstances arise in a State resulting in a significant change in the factors described in clause (iv)(I), the eligible agency may request that the eligible agency adjusted levels of performance agreed to under clause (iii) or (v) be revised.

''(B) LEVELS OF EMPLOYMENT PERFORMANCE.—The eligible agency shall identify, in the State plan, eligible agency levels of performance for each of the employment performance indicators described in paragraph (2)(B). Such levels shall be considered to be eligible agency adjusted levels of performance for purposes of this title.

''(c) DEFINITIONS FOR INDICATORS OF PERFOMANCE.—In order to ensure comparability of performance data across States, the Secretary shall issue definitions for the indicators of performance under paragraph (2).

''(d) REPORT.—

''(1) IN GENERAL.—Each eligible agency that receives a grant under section 211(b) shall annually prepare and submit to the Secretary, the Governor, the State legislature, and eligible providers a report on the progress of the eligible agency in achieving eligible agency performance measures, including the following:

''(A) Information on the levels of performance achieved by the eligible agency with respect to the core indicators of performance and employment performance indicators.

''(B) The number and type of each eligible provider that receives funding under such grant.

''(2) INFORMATION DISSEMINATION.—The Secretary—

''(A) shall make the information contained in such reports available to the general public through publication (including on the Internet site of the Department of Education) and other appropriate methods;

''(B) shall disseminate State-by-State comparisons of the information; and

''(C) shall provide the appropriate committees of the Congress with copies of such reports.

''SEC. 213. INCENTIVE GRANTS FOR STATES.

''(a) IN GENERAL.—From funds appropriated under section 211(a)(1), the Secretary may award grants to States for exemplary performance in carrying out programs under this title. Such awards shall be based on States exceeding the core indicators of performance established under section 212(b)(2)(A) and may be based on the performance of the State in serving populations, such as those described in section 224(b)(10), including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines appropriate.

''(b) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under this title, including demonstrations and innovative programs for hard-to-serve populations.

''CHAPTER 2—STATE PROVISIONS

''SEC. 221. STATE ADMINISTRATION.

''Each eligible agency shall be responsible for the following activities under this title:

''(1) The development, submission, implementation, and monitoring of the State plan.

''(2) Consultation with other appropriate agencies, groups, and individuals that are involved in, or interested in, the development and implementation of activities assisted under this title.

''(3) Coordination and avoidance of duplication with other Federal and State education, training, corrections, public housing, and social service programs.

''SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING REQUIREMENT.

''(a) STATE DISTRIBUTION OF FUNDS.—Each eligible agency receiving a grant under this title for a fiscal year—

''(1) shall use an amount not less than 82.5 percent of the grant funds to award grants and contracts under section 231 and to carry out section 225, of which not more than 10 percent of such amount shall be available to carry out section 225;

''(2) shall use not more than 12.5 percent of the grant funds to carry out State leadership activities under section 223; and

''(3) shall use not more than 5 percent of the grant funds, or $75,000, whichever is greater, for the administrative expenses of the eligible agency.

''(b) MATCHING REQUIREMENT.—

''(1) IN GENERAL.—In order to receive a grant from the Secretary under section 211(b), each eligible agency shall provide, for the costs to be incurred by the eligible agency in carrying out the adult education, basic skills, and family literacy education programs for which the grant is awarded, a non-Federal contribution in an amount at least equal to—

''(A) in the case of an eligible agency serving an outlying area, 12 percent of the total amount of funds expended for adult education, basic skills, and family literacy education programs in the outlying area, except that the Secretary may decrease the amount of funds required under this subparagraph for an eligible agency; and

''(B) in the case of an eligible agency serving a State, 25 percent of the total amount of funds expended for adult education, basic skills, and family literacy education programs in the State.

''(2) NON-FEDERAL CONTRIBUTION.—An eligible agency's non-Federal contribution required under paragraph (1) may be provided in cash or in kind, fairly evaluated, and shall include only non-Federal funds that are used for adult education, basic skills, and family literacy education programs in a manner that is consistent with the purpose of this title.

''SEC. 223. STATE LEADERSHIP ACTIVITIES.

''(a) IN GENERAL.—Each eligible agency may use funds made available under section 222(a)(2) for any of the following adult education, basic skills, and family literacy education programs:

''(1) The establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities required under section 231(b), including instruction incorporating the essential components of reading instruction and instruction provided by volunteers or by personnel of a State or outlying area.

''(2) The provision of technical assistance to eligible providers of adult education, basic skills, and family literacy education programs, including for the development and dissemination of scientifically based research instructional practices in reading, writing, speaking, math, and English language acquisition programs.

''(3) The provision of assistance to eligible providers in developing, implementing, and reporting measurable progress in achieving the objectives of this title.

''(4) The provision of technology assistance, including staff training, to eligible providers of adult education, basic skills, and family literacy education programs, including distance learning activities, to enable the eligible providers to improve the quality of such activities.

''(5) The development and implementation of technology applications or distance learning, including professional development to support the use of instructional technology.

''(6) Coordination with other public programs, including welfare-to-work, workforce development, and job training programs.

''(7) Coordination with existing support services, such as transportation, child care, and other assistance designed to increase rates of enrollment in, and successful completion of, adult education, basic skills, and

family literacy education programs, for adults enrolled in such activities.

''(8) The development and implementation of a system to assist in the transition from adult basic education to postsecondary education.

''(9) Activities to promote workplace literacy programs.

''(10) Activities to promote and complement local outreach initiatives described in section 243(7).

''(11) Other activities of statewide significance, including assisting eligible providers in achieving progress in improving the skill levels of adults who participate in programs under this title.

''(12) Integration of literacy, instructional, and occupational skill training and promotion of linkages with employees.

''(b) COORDINATION.—In carrying out this section, eligible agencies shall coordinate where possible, and avoid duplicating efforts, in order to maximize the impact of the activities described in subsection (a).

''(c) STATE-IMPOSED REQUIREMENTS.—Whenever a State or outlying area implements any rule or policy relating to the administration or operation of a program authorized under this title that has the effect of imposing a requirement that is not imposed under Federal law (including any rule or policy based on a State or outlying area interpretation of a Federal statute, regulation, or guideline), the State or outlying area shall identify, to eligible providers, the rule or policy as being imposed by the State or outlying area.

''SEC. 224. STATE PLAN.

''(a) 6-YEAR PLANS.—

''(1) IN GENERAL.—Each eligible agency desiring a grant under this title for any fiscal year shall submit to, or have on file with, the Secretary a 6-year State plan.

''(2) COMPREHENSIVE PLAN OR APPLICATION.—The eligible agency may submit the State plan as part of a comprehensive plan or application for Federal education assistance.

''(b) PLAN CONTENTS.—The eligible agency shall include in the State plan or any revisions to the State plan—

''(1) an objective assessment of the needs of individuals in the State or outlying area for adult education, basic skills, and family literacy education programs, including individuals most in need or hardest to serve;

''(2) a description of the adult education, basic skills, and family literacy education programs that will be carried out with funds received under this title;

''(3) a description of how the eligible agency will evaluate and measure annually the effectiveness and improvement of the adult education, basic skills, and family literacy education programs based on the performance measures described in section 212 including—

''(A) how the eligible agency will evaluate and measure annually such effectiveness on a grant-by-grant basis; and

''(B) how the eligible agency—

''(i) will hold eligible providers accountable regarding the progress of such providers in improving the academic achievement of participants in adult education programs under this title and regarding the core indicators of performance described in section 212(b)(2)(A); and

''(ii) will use technical assistance, sanctions, and rewards (including allocation of grant funds based on performance and termination of grant funds based on nonperformance);

''(4) a description of the performance measures described in section 212 and how such performance measures have significantly improved adult education, basic skills, and family literacy education programs in the State or outlying area;

''(5) an assurance that the eligible agency will, in addition to meeting all of the other requirements of this title, award not less than one grant under this title to an eligible provider that—

''(A) offers flexible schedules and necessary support services (such as child care and transportation) to enable individuals, including individuals with disabilities, or individuals with other special needs, to participate in adult education, basic skills, and family literacy education programs; and

''(B) attempts to coordinate with support services that are not provided under this title prior to using funds for adult education, basic skills, and family literacy education programs provided under this title for support services;

''(6) an assurance that the funds received under this title will not be expended for any purpose other than for activities under this title;

''(7) a description of how the eligible agency will fund local activities in accordance with the measurable goals described in section 231(d);

''(8) an assurance that the eligible agency will expend the funds under this title only in a manner consistent with fiscal requirements in section 241;

''(9) a description of the process that will be used for public participation and comment with respect to the State plan, which process—

''(A) shall include consultation with the State workforce investment board, the State board responsible for administering community or technical colleges, the Governor, the State educational agency, the State board or agency responsible for administering block grants for temporary assistance to needy families under title IV of the Social Security Act, the State council on disabilities, the State vocational rehabilitation agency, other State agencies that promote the improvement of adult education, basic skills, and family literacy education programs, and direct providers of such programs; and

''(B) may include consultation with the State agency on higher education, institutions responsible for professional development of adult education, basic skills, and family literacy education programs instructors, representatives of business and industry, refugee assistance programs, and faith-based organizations;

''(10) a description of the eligible agency's strategies for serving populations that include, at a minimum—

''(A) low-income individuals;

''(B) individuals with disabilities;

''(C) the unemployed;

''(D) the underemployed; and

''(E) individuals with multiple barriers to educational enhancement, including individuals with limited English proficiency;

''(11) a description of how the adult education, basic skills, and family literacy education programs that will be carried out with any funds received under this title will be integrated with other adult education, career development, and employment and training activities in the State or outlying area served by the eligible agency;

''(12) a description of the steps the eligible agency will take to ensure direct and equitable access, as required in section 231(c)(1), including—

''(A) how the State will build the capacity of community-based and faith-based organizations to provide adult education, basic skills, and family literacy education programs; and

''(B) how the State will increase the participation of business and industry in adult education, basic skills, and family literacy education programs;

''(13) an assessment of the adequacy of the system of the State or outlying area to ensure teacher quality and a description of how the State or outlying area will use funds received under this subtitle to improve teacher quality, including professional development on the use of scientifically based research to improve instruction; and

''(14) a description of how the eligible agency will consult with any State agency responsible for postsecondary education to develop adult education that prepares students to enter postsecondary education without the need for remediation upon completion of secondary school equivalency programs.

''(c) PLAN REVISIONS.—When changes in conditions or other factors require substantial revisions to an approved State plan, the eligible agency shall submit the revisions of the State plan to the Secretary.

''(d) CONSULTATION.—The eligible agency shall—

''(1) submit the State plan, and any revisions to the State plan, to the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, or outlying area for review and comment; and

''(2) ensure that any comments regarding the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

''(e) PLAN APPROVAL.—A State plan submitted to the Secretary shall be approved by the Secretary only if the plan is consistent with the specific provisions of this title.

''SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND OTHER INSTITUTIONALIZED INDIVIDUALS.

''(a) PROGRAM AUTHORIZED.—From funds made available under section 222(a)(1) for a fiscal year, each eligible agency shall carry out corrections education and education for other institutionalized individuals.

''(b) USES OF FUNDS.—The funds described in subsection (a) shall be used for the cost of educational programs for criminal offenders in correctional institutions and for other institutionalized individuals, including academic programs for—

''(1) basic skills education;

''(2) special education programs as determined by the eligible agency;

''(3) reading, writing, speaking, and math programs; and

''(4) secondary school credit or diploma programs or their recognized equivalent.

''(c) PRIORITY.—Each eligible agency that is using assistance provided under this section to carry out a program for criminal offenders within a correctional institution shall give priority to serving individuals who are likely to leave the correctional institution within 5 years of participation in the program.

''(d) DEFINITIONS.—For purposes of this section:

''(1) CORRECTIONAL INSTITUTION.—The term 'correctional institution' means any—

''(A) prison;

''(B) jail;

''(C) reformatory;

''(D) work farm;

''(E) detention center; or

''(F) halfway house, community-based rehabilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders.

''(2) CRIMINAL OFFENDER.—The term 'criminal offender' means any individual who is charged with, or convicted of, any criminal offense.

"CHAPTER 3—LOCAL PROVISIONS

"SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE PROVIDERS.

''(a) GRANTS AND CONTRACTS.—From grant funds made available under section 211(b), each eligible agency shall award multiyear grants or contracts, on a competitive basis, to eligible providers within the State or outlying area that meet the conditions and requirements of this title to enable the eligible providers to develop, implement, and improve adult education, basic skills, and family literacy education programs within the State.

''(b) LOCAL ACTIVITIES.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to establish or operate one or more programs of instruction that provide services or instruction in one or more of the following categories:

''(1) Adult education, basic skills, and family literacy education programs (including proficiency in reading, writing, speaking, and math).

''(2) Workplace literacy programs.

''(3) English language acquisition programs.

''(4) Family literacy education programs.

''(c) DIRECT AND EQUITABLE ACCESS; SAME PROCESS.—Each eligible agency receiving funds under this title shall ensure that—

''(1) all eligible providers have direct and equitable access to apply for grants or contracts under this section; and

''(2) the same grant or contract announcement process and application process is used for all eligible providers in the State or outlying area.

''(d) MEASURABLE GOALS.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to demonstrate—

''(1) the eligible provider's measurable goals for participant outcomes to be achieved annually on the core indicators of performance and employment performance indicators described in section 212(b)(2);

''(2) the past effectiveness of the eligible provider in improving the basic academic skills of adults and, for eligible providers receiving grants in the prior year, the success of the eligible provider receiving funding under this title in exceeding its performance goals in the prior year;

''(3) the commitment of the eligible provider to serve individuals in the community who are the most in need of basic academic skills instruction services, including individuals who are low-income or have minimal reading, writing, speaking, and math skills, or limited English proficiency;

''(4) the program—

''(A) is of sufficient intensity and duration for participants to achieve substantial learning gains; and

''(B) uses instructional practices that include the essential components of reading instruction;

''(5) educational practices are based on scientifically based research;

''(6) the activities of the eligible provider effectively employ advances in technology, as appropriate, including the use of computers;

''(7) the activities provide instruction in real-life contexts, when appropriate, to ensure that an individual has the skills needed to compete in the workplace and exercise the rights and responsibilities of citizenship;

''(8) the activities are staffed by well-trained instructors, counselors, and administrators;

''(9) the activities are coordinated with other available resources in the community, such as through strong links with elementary schools and secondary schools, postsecondary educational institutions, one-stop centers, job training programs, community-based and faith-based organizations, and social service agencies;

''(10) the activities offer flexible schedules and support services (such as child care and transportation) that are necessary to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs;

''(11) the activities include a high-quality information management system that has the capacity to report measurable participant outcomes and to monitor program performance against the performance measures established by the eligible agency;

''(12) the local communities have a demonstrated need for additional English language acquisition programs;

''(13) the capacity of the eligible provider to produce valid information on performance results, including enrollments and measurable participant outcomes;

''(14) adult education, basic skills, and family literacy education programs offer rigorous reading, writing, speaking, and math content that are based on scientifically based research; and

''(15) applications of technology, and services to be provided by the eligible providers, are of sufficient intensity and duration to increase the amount and quality of learning and lead to measurable learning gains within specified time periods.

''(e) SPECIAL RULE.—Eligible providers may use grant funds under this title to serve children participating in family literacy programs assisted under this part, provided that other sources of funds available to provide similar services for such children are used first.

"SEC. 232. LOCAL APPLICATION.

''Each eligible provider desiring a grant or contract under this title shall submit an application to the eligible agency containing such information and assurances as the eligible agency may require, including—

''(1) a description of how funds awarded under this title will be spent consistent with the requirements of this title;

''(2) a description of any cooperative arrangements the eligible provider has with other agencies, institutions, or organizations for the delivery of adult education, basic skills, and family literacy education programs; and

''(3) each of the demonstrations required by section 231(d).

"SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.

''(a) IN GENERAL.—Subject to subsection (b), of the amount that is made available under this title to an eligible provider—

''(1) at least 95 percent shall be expended for carrying out adult education, basic skills, and family literacy education programs; and

''(2) the remaining amount shall be used for planning, administration, personnel and professional development, development of measurable goals in reading, writing, speaking, and math, and interagency coordination.

''(b) SPECIAL RULE.—In cases where the cost limits described in subsection (a) are too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination, the eligible provider may negotiate with the eligible agency in order to determine an adequate level of funds to be used for noninstructional purposes.

"CHAPTER 4—GENERAL PROVISIONS

"SEC. 241. ADMINISTRATIVE PROVISIONS.

''(a) SUPPLEMENT NOT SUPPLANT.—Funds made available for adult education, basic skills, and family literacy education programs under this title shall supplement and not supplant other State or local public funds expended for adult education, basic skills, and family literacy education programs.

''(b) MAINTENANCE OF EFFORT.—

''(1) IN GENERAL.—

''(A) DETERMINATION.—An eligible agency may receive funds under this title for any fiscal year if the Secretary finds that the fiscal effort per student or the aggregate expenditures of such eligible agency for activities under this title, in the second preceding fiscal year, were not less than 90 percent of the fiscal effort per student or the aggregate expenditures of such eligible agency for adult education, basic skills, and family literacy education programs, in the third preceding fiscal year.

''(B) PROPORTIONATE REDUCTION.—Subject to paragraphs (2), (3), and (4), for any fiscal year with respect to which the Secretary determines under subparagraph (A) that the fiscal effort or the aggregate expenditures of an eligible agency for the preceding program year were less than such effort or expenditures for the second preceding program year, the Secretary—

''(i) shall determine the percentage decreases in such effort or in such expenditures; and

''(ii) shall decrease the payment made under this title for such program year to the agency for adult education, basic skills, and family literacy education programs by the lesser of such percentages.

''(2) COMPUTATION.—In computing the fiscal effort and aggregate expenditures under paragraph (1), the Secretary shall exclude capital expenditures and special one-time project costs.

''(3) DECREASE IN FEDERAL SUPPORT.—If the amount made available for adult education, basic skills, and family literacy education programs under this title for a fiscal year is less than the amount made available for adult education, basic skills, and family literacy education programs under this title for the preceding fiscal year, then the fiscal effort per student and the aggregate expenditures of an eligible agency required in order to avoid a reduction under paragraph (1)(B) shall be decreased by the same percentage as the percentage decrease in the amount so made available.

''(4) WAIVER.—The Secretary may waive the requirements of this subsection for not more than 1 fiscal year, if the Secretary determines that a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or an unforeseen and precipitous decline in the financial resources of the State or outlying area of the eligible agency. If the Secretary grants a waiver under the preceding sentence for a fiscal year, the level of effort required under paragraph (1) shall not be reduced in the subsequent fiscal year because of the waiver.

"SEC. 242. NATIONAL INSTITUTE FOR LITERACY.

''(a) IN GENERAL.—

''(1) PURPOSE.—The purpose of the National Institute for Literacy is to promote the improvement of literacy, including skills in reading, writing, and English language acquisition for children, youth, and adults, through practices derived from the findings of scientifically based research.

''(2) ESTABLISHMENT.—There is established a National Institute for Literacy (in this section referred to as the 'Institute'). The Institute shall be administered under the terms of an interagency agreement entered into, reviewed annually, and modified as needed by the Secretary of Education with the Secretary of Health and Human Services and the Secretary of Labor (in this section referred to as the 'Interagency Group').

''(3) OFFICES.—The Institute shall have offices separate from the offices of the Department of Education, the Department of Health and Human Services, and the Department of Labor.

''(4) ADMINISTRATIVE SUPPORT.—The Department of Education shall provide administrative support for the Institute.

''(5) DAILY OPERATIONS.—The Director of the Institute shall administer the daily operations of the Institute.

''(b) DUTIES.—

''(1) IN GENERAL.—To carry out its purpose, the Institute may—

''(A) identify and disseminate rigorous scientific research on the effectiveness of instructional practices and organizational strategies relating to programs on the acquisition of skills in reading, writing, and English language acquisition for children, youth, and adults;

''(B) create and widely disseminate materials about the acquisition and application of skills in reading, writing, and English language acquisition for children, youth, and adults based on scientifically based research;

''(C) ensure a broad understanding of scientifically based research on reading, writing, and English language acquisition for children, youth, and adults among Federal agencies with responsibilities for administering programs that provide related services, including State and local educational agencies;

''(D) facilitate coordination and information sharing among national organizations and associations interested in programs that provide services to improve skills in reading, writing, and English language acquisition for children, youth, and adults;

''(E) coordinate with the appropriate offices in the Department of Education, the Department of Health and Human Services, the Department of Labor, and other Federal agencies to apply the findings of scientifically based research related to programs on reading, writing, and English language acquisition for children, youth, and adults;

''(F) establish a national electronic database and Internet site describing and fostering communication on scientifically based programs in reading, writing, and English language acquisition for children, youth, and adults, including professional development programs; and

''(G) provide opportunities for technical assistance, meetings, and conferences that will foster increased coordination among Federal, State, and local agencies and entities and improvement of reading, writing, and English language acquisition skills for children, youth, and adults.

''(2) COORDINATION.—In identifying scientifically based research on reading, writing, and English language acquisition for children, youth, and adults, the Institute shall use standards for research quality that are consistent with those established by the Institute of Education Sciences.

''(3) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—

''(A) IN GENERAL.—The Institute may award grants to, or enter into contracts or cooperative agreements with, individuals, public or private institutions, agencies, organizations, or consortia of such individuals, institutions, agencies, or organizations, to carry out the activities of the Institute.

''(B) REGULATIONS.—The Director may adopt the general administrative regulations of the Department of Education, as applicable, for use by the Institute.

''(C) RELATION TO OTHER LAWS.—The duties and powers of the Institute under this title are in addition to the duties and powers of the Institute under subparts 1, 2, and 3 of part B of the Elementary and Secondary Education Act of 1965 (commonly referred to as Reading First, Early Reading First, and the William F. Goodling Even Start Family Literacy Program, respectively).

''(c) VISITING SCHOLARS.—The Institute may establish a visiting scholars program, with such stipends and allowances as the Director considers necessary, for outstanding researchers, scholars, and individuals who—

''(1) have careers in adult education, workforce development, or scientifically based reading, writing, or English language acquisition; and

''(2) can assist the Institute in translating research into practice and providing analysis that advances instruction in the fields of reading, writing, and English language acquisition for children, youth, and adults.

''(d) INTERNS AND VOLUNTEERS.—The Institute, in consultation with the National Institute for Literacy Advisory Board, may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its purpose. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute determines necessary.

''(e) NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.—

''(1) ESTABLISHMENT.—

''(A) IN GENERAL.—There shall be a National Institute for Literacy Advisory Board (in this section referred to as the 'Board'), which shall consist of 10 individuals appointed by the President with the advice and consent of the Senate.

''(B) QUALIFICATIONS.—The Board shall be composed of individuals who—

''(i) are not otherwise officers or employees of the Federal Government; and

''(ii) are knowledgeable about current effective scientifically based research findings on instruction in reading, writing, and English language acquisition for children, youth, and adults.

''(C) COMPOSITION.—The Board may include—

''(i) representatives of business, industry, labor, literacy organizations, adult education providers, community colleges, students with disabilities, and State agencies, including State directors of adult education; and

''(ii) individuals who, and representatives of entities that, have been successful in improving skills in reading, writing, and English language acquisition for children, youth, and adults.

''(2) DUTIES.—The Board shall—

''(A) make recommendations concerning the appointment of the Director of the Institute;

''(B) provide independent advice on the operation of the Institute;

''(C) receive reports from the Interagency Group and the Director; and

''(D) review the biennial report to the Congress under subsection (k).

''(3) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided, the Board shall be subject to the provisions of the Federal Advisory Committee Act.

''(4) APPOINTMENTS.—

''(A) IN GENERAL.—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation in which one-third of the members are selected each year. Any such member may be appointed for not more than 2 consecutive terms.

''(B) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office.

''(5) QUORUM.—A majority of the members of the Board shall constitute a quorum, but a lesser number may hold hearings. A recommendation of the Board may be passed only by a majority of the Board's members present at a meeting for which there is a quorum.

''(6) ELECTION OF OFFICERS.—The Chairperson and Vice Chairperson of the Board shall be elected by the members of the Board. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

''(7) MEETINGS.—The Board shall meet at the call of the Chairperson or a majority of the members of the Board.

''(f) GIFTS, BEQUESTS, AND DEVISES.—

''(1) IN GENERAL.—The Institute may accept, administer, and use gifts or donations of services, money, or property, whether real or personal, tangible or intangible.

''(2) RULES.—The Board shall establish written rules setting forth the criteria to be used by the Institute in determining whether the acceptance of contributions of services, money, or property whether real or personal, tangible or intangible, would reflect unfavorably upon the ability of the Institute or any employee to carry out the responsibilities of the Institute or employee, or official duties, in a fair and objective manner, or would compromise the integrity, or the appearance of the integrity, of the Institute's programs or any official involved in those programs.

''(g) MAILS.—The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

''(h) DIRECTOR.—The Secretary of Education, after considering recommendations made by the Board and consulting with the Interagency Group, shall appoint and fix the pay of the Director of the Institute and, when necessary, shall appoint an Interim Director of the Institute.

''(i) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for level IV of the Executive Schedule.

''(j) EXPERTS AND CONSULTANTS.—The Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

''(k) BIENNIAL REPORT.—

''(1) IN GENERAL.—The Institute shall submit a report biennially to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate. Each report submitted under this subsection shall include—

''(A) a comprehensive and detailed description of the Institute's operations, activities, financial condition, and accomplishments in identifying and describing programs on reading, writing, and English language acquisition for children, youth, and adults for the period covered by the report; and

''(B) a description of how plans for the operation of the Institute for the succeeding 2 fiscal years will facilitate achievement of the purpose of the Institute.

''(2) FIRST REPORT.—The Institute shall submit its first report under this subsection to the Congress not later than 1 year after the date of the enactment of the Workforce Investment Improvement Act of 2007.

''(1) ADDITIONAL FUNDING.—In addition to the funds authorized under section 205 and reserved for the Institute under section 211, the Secretary of Education, the Secretary of Health and Human Services, the Secretary of Labor, or the head of any other Federal agency or department that participates in the activities of the Institute may provide funds to the Institute for activities that the Institute is authorized to perform under this section.

''SEC. 243. NATIONAL LEADERSHIP ACTIVITIES.

''The Secretary shall establish and carry out a program of national leadership activities that may include the following:

''(1) Technical assistance, on request, including assistance—

''(A) on request to volunteer community- and faith-based organizations, including but not limited to, improving their fiscal management, research-based instruction, and reporting requirements, and the development of measurable objectives to carry out the requirements of this title;

''(B) in developing valid, measurable, and reliable performance data, and using performance information for the improvement of adult education basic skills, English language acquisition, and family literacy education programs;

''(C) on adult education professional development; and

''(D) in using distance learning and improving the application of technology in the classroom, including instruction in English language acquisition for individuals who have limited English proficiency.

''(2) Providing for the conduct of research on national literacy basic skill acquisition levels among adults, including the number of limited English proficient adults functioning at different levels of reading proficiency.

''(3) Improving the coordination, efficiency, and effectiveness of adult education and workforce development services at the national, State, and local levels.

''(4) Determining how participation in adult education basic skills, English language acquisition, and family literacy education programs prepares individuals for entry into and success in postsecondary education and employment, and in the case of prison-based services, the effect on recidivism.

''(5) Evaluating how different types of providers, including community and faith-based organizations or private for-profit agencies measurably improve the skills of participants in adult education basic skills, English language acquisition, and family literacy education programs.

''(6) Identifying model integrated basic and workplace skills education programs, including programs for individuals with limited English proficiency coordinated literacy and employment services, and effective strategies for serving adults with disabilities.

''(7) Supporting the development of an entity that would produce and distribute technology-based programs and materials for adult education, basic skills, and family literacy education programs using an intercommunication system, as that term is defined in section 397 of the Communications Act of 1934, and expand the effective outreach and use of such programs and materials to adult education eligible providers.

''(8) Initiating other activities designed to improve the measurable quality and effectiveness of adult education basic skills, English language acquisition, and family literacy education programs nationwide.''.

Subtitle C—Amendments to the Wagner–Peyser Act

SEC. 461. AMENDMENTS TO THE WAGNER-PEYSER ACT.

The Wagner-Peyser Act (29 U.S.C. 49 et seq.) is amended—

(1) by striking sections 1 through 13;

(2) in section 14 by inserting ''of Labor'' after ''Secretary''; and

(3) by amending section 15 to read as follows:

''SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.

''(a) SYSTEM CONTENT.—

''(1) IN GENERAL.—The Secretary of Labor, in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide workforce and labor market information system that includes—

''(A) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems that, taken together, enumerate, estimate, and project employment opportunities and conditions at national, State, and local levels in a timely manner, including statistics on—

''(i) employment and unemployment status of national, State, and local populations, including self-employed, part-time, and seasonal workers;

''(ii) industrial distribution of occupations, as well as current and projected employment opportunities, wages, benefits (where data is available), and skill trends by occupation and industry, with particular attention paid to State and local conditions;

''(iii) the incidence of, industrial and geographical location of, and number of workers displaced by, permanent layoffs and plant closings; and

''(iv) employment and earnings information maintained in a longitudinal manner to be used for research and program evaluation;

''(B) information on State and local employment opportunities, and other appropriate statistical data related to labor market dynamics, which—

''(i) shall be current and comprehensive;

''(ii) shall meet the needs identified through the consultations described in subparagraphs (A) and (B) of subsection (e)(2); and

''(iii) shall meet the needs for the information identified in section 134(d);

''(C) technical standards (which the Secretary shall publish annually) for data and information described in subparagraphs (A) and (B) that, at a minimum, meet the criteria of chapter 35 of title 44, United States Code;

''(D) procedures to ensure compatibility and additivity of the data and information described in subparagraphs (A) and (B) from national, State, and local levels;

''(E) procedures to support standardization and aggregation of data from administrative reporting systems described in subparagraph (A) of employment-related programs;

''(F) analysis of data and information described in subparagraphs (A) and (B) for uses such as—

''(i) national, State, and local policymaking;

''(ii) implementation of Federal policies (including allocation formulas);

''(iii) program planning and evaluation; and

''(iv) researching labor market dynamics;

''(G) wide dissemination of such data, information, and analysis in a user-friendly manner and voluntary technical standards for dissemination mechanisms; and

''(H) programs of—

''(i) training for effective data dissemination;

''(ii) research and demonstration; and

''(iii) programs and technical assistance.

''(2) INFORMATION TO BE CONFIDENTIAL.—

''(A) IN GENERAL.—No officer or employee of the Federal Government or agent of the Federal Government may—

''(i) use any submission that is furnished for exclusively statistical purposes under the provisions of this section for any purpose other than the statistical purposes for which the submission is furnished;

''(ii) disclose to the public any publication or media transmittal of the data contained in the submission described in clause (i) that permits information concerning an individual subject to be reasonably inferred by either direct or indirect means; or

''(iii) permit anyone other than a sworn officer, employee, or agent of any Federal department or agency, or a contractor (including an employee of a contractor) of such department or agency, to examine an individual submission described in clause (i),

without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission.

''(B) IMMUNITY FROM LEGAL PROCESS.—Any submission (including any data derived from the submission) that is collected and retained by a Federal department or agency, or an officer, employee, agent, or contractor of such a department or agency, for exclusively statistical purposes under this section shall be immune from the legal process and shall not, without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

''(C) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide immunity from the legal process for such submission (including any data derived from the submission) if the submission is in the possession of any person, agency, or entity other than the Federal Government or an officer, employee, agent, or contractor of the Federal Government, or if the submission is independently collected, retained, or produced for purposes other than the purposes of this Act.

''(b) SYSTEM RESPONSIBILITIES.—

''(1) IN GENERAL.—The workforce and labor market information system described in subsection (a) shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and States.

''(2) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of workforce and labor market information for the system, shall carry out the following duties:

''(A) Assign responsibilities within the Department of Labor for elements of the workforce and labor market information system described in subsection (a) to ensure that all statistical and administrative data collected is consistent with appropriate Bureau of Labor Statistics standards and definitions.

''(B) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities.

''(C) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority.

''(D) In collaboration with the Bureau of Labor Statistics and States, develop and maintain the elements of the workforce and labor market information system described in subsection (a), including the development of consistent procedures and definitions for use by the States in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1).

''(E) Establish procedures for the system to ensure that—

''(i) such data and information are timely;

''(ii) paperwork and reporting for the system are reduced to a minimum; and

''(iii) States and localities are fully involved in the development and continuous improvement of the system at all levels.

''(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE SERVICES.—The Secretary is authorized to assist in the development of national electronic tools that may be used to facilitate the delivery of work ready services described in section 134 and to provide workforce information to individuals through the one-stop delivery systems described in section 121 and through other appropriate delivery systems.

''(d) COORDINATION WITH THE STATES.—

''(1) IN GENERAL.—The Secretary, working through the Bureau of Labor Statistics and the Employment and Training Administration, shall regularly consult with representatives of State agencies carrying out workforce information activities regarding strategies for improving the workforce and labor market information system.

''(2) FORMAL CONSULTATIONS.—At least twice each year, the Secretary, working through the Bureau of Labor Statistics, shall conduct formal consultations regarding programs carried out by the Bureau of Labor Statistics with representatives of each of the 6 Federal regions of the Bureau of Labor Statistics, elected (pursuant to a process established by the Secretary) from the State directors affiliated with State agencies that perform the duties described in subsection (e)(2).

''(e) STATE RESPONSIBILITIES.—

''(1) IN GENERAL.—In order to receive Federal financial assistance under this section, the Governor of a State shall—

''(A) be responsible for the management of the portions of the workforce and labor market information system described in subsection (a) that comprise a statewide workforce and labor market information system and for the State's participation in the development of the annual plan;

''(B) establish a process for the oversight of such system;

''(C) consult with State and local employers, participants, and local workforce investment boards about the labor market relevance of the data to be collected and disseminated through the statewide workforce and labor market information system;

''(D) consult with State educational agencies and local educational agencies concerning the provision of employment statistics in order to meet the needs of secondary school and postsecondary school students who seek such information;

''(E) collect and disseminate for the system, on behalf of the State and localities in the State, the information and data described in subparagraphs (A) and (B) of subsection (a)(1);

''(F) maintain and continuously improve the statewide workforce and labor market information system in accordance with this section;

''(G) perform contract and grant responsibilities for data collection, analysis, and dissemination for such system;

''(H) conduct such other data collection, analysis, and dissemination activities as will ensure an effective statewide workforce and labor market information system;

''(I) actively seek the participation of other State and local agencies in data collection, analysis, and dissemination activities in order to ensure complementarity, compatibility, and usefulness of data;

''(J) participate in the development of the annual plan described in subsection (c); and

''(K) utilize the quarterly records described in section 136(f)(2) of the Workforce Investment Act of 1998 to assist the State and other States in measuring State progress on State performance measures.

''(2) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the ability of a Governor to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this section.

''(f) NONDUPLICATION REQUIREMENT.—None of the functions and activities carried out pursuant to this section shall duplicate the functions and activities carried out under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2008 through 2012.

''(h) DEFINITION.—In this section, the term 'local area' means the smallest geographical area for which data can be produced with statistical reliability.''.

Subtitle D—Amendments to the Rehabilitation Act of 1973

SEC. 471. FINDINGS.

Section 2(a) of the Rehabilitation Act of 1973 (29 U.S.C. 701(a)) is amended—

(1) in paragraph (5), by striking ''and'' at the end;

(2) in paragraph (6), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(7) there is a substantial need to improve and expand services for students with disabilities under this Act.''.

SEC. 472. REHABILITATION SERVICES ADMINISTRATION.

Section 3(a) of the Rehabilitation Act of 1973 (29 U.S.C. 702(a)) is amended—

(1) by striking ''Office of the Secretary'' and inserting ''Department of Education'';

(2) by striking ''President by and with the advice and consent of the Senate'' and inserting ''Secretary, except that the Commissioner appointed under the authority existing on the day prior to the date of enactment of the Workforce Investment Improvement Act of 2007 may continue to serve in the former capacity''; and

(3) by striking '', and the Commissioner shall be the principal officer,''.

SEC. 473. DIRECTOR.

(a) IN GENERAL.—The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(1) by striking ''Commissioner'' each place it appears, except in sections 3(a) (as amended by section 472) and 21, and inserting ''Director'';

(2) in section 100(d)(2)(B), by striking ''commissioner'' and inserting ''director'';

(3) in section 706, by striking ''commissioner'' and inserting ''director''; and

(4) in section 723(a)(3), by striking ''commissioner'' and inserting ''director''.

(b) EXCEPTION.—Section 21 of the Rehabilitation Act of 1973 (29 U.S.C. 718) is amended—

(1) in subsection (b)(1)—

(A) by striking ''Commissioner'' the first place it appears and inserting ''Director of the Rehabilitation Services Administration''; and

(B) by striking ''(referred to in this subsection as the 'Director')''; and

(2) by striking ''Commissioner and the Director'' each place it appears and inserting ''both such Directors''.

SEC. 474. DEFINITIONS.

Section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 705) is amended—

(1) by redesignating paragraphs (35) through (39) as paragraphs (36), (37), (38), (40), and (41), respectively;

(2) in subparagraph (A)(ii) of paragraph (36) (as redesignated in paragraph (1)), by striking ''paragraph (36)(C)'' and inserting ''paragraph (37)(C)'';

(3) by inserting after paragraph (34) the following:

''(35)(A) The term 'student with a disability' means an individual with a disability who—

''(i) is not younger than 16 and not older than 21;

''(ii) has been determined to be eligible under section 102(a) for assistance under this title; and

''(iii)(I) is eligible for, and is receiving, special education under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.); or

''(II) is an individual with a disability, for purposes of section 504.

''(B) The term 'students with disabilities' means more than 1 student with a disability.''; and

(4) by inserting after paragraph (38) (as redesignated by paragraph (1)) the following:

''(39) The term 'transition services expansion year' means—

''(A) the first fiscal year for which the amount appropriated under section 100(b) exceeds the amount appropriated under section 100(b) for fiscal year 2004 by not less than $100,000,000; and

''(B) each fiscal year subsequent to that first fiscal year.''.

SEC. 475. STATE PLAN.

(a) COORDINATION WITH EDUCATION OFFICIALS AND ASSISTIVE TECHNOLOGY PROGRAMS.—Section 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)) is amended—

(1) in subparagraph (D)(i) by inserting '', which may be provided using alternative means of meeting participation (such as video conferences and conference calls)'' before the semicolon; and

(2) by adding at the end the following:

''(G) COORDINATION WITH ASSISTIVE TECHNOLOGY PROGRAMS.—The State plan shall include an assurance that the designated State unit and the lead agency responsible for carrying out duties under the Assistive Technology Act of 1998 (29 U.S.C. 3001), as amended, have developed working relationships and coordinate their activities.''.

(b) ASSESSMENT AND STRATEGIES.—Section 101(a)(15) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(15)) is amended—

(1) in subparagraph (A)

(A) in clause (i)—

(i) in subclause (II), by striking ''and'' at the end;

(ii) in subclause (III), by adding ''and'' at the end; and

(iii) by adding at the end the following:

''(IV) in a transition services expansion year, students with disabilities, including their need for transition services;''; and

(B) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively, and inserting after clause (i) the following:

''(ii) include an assessment of the transition services provided under this Act, and coordinated with transition services under the Individuals with Disabilities Education Act, as to those services meeting the needs of individuals with disabilities;''; and

(2) in subparagraph (D)—

(A) by redesignating clauses (iii), (iv), and (v) as clauses (iv), (v), and (vi), respectively; and

(B) by inserting after clause (ii) the following:

''(iii) in a transition services expansion year, the methods to be used to improve and expand vocational rehabilitation services for students with disabilities, including the coordination of services designed to facilitate the transition of such students from the receipt of educational services in school to the receipt of vocational rehabilitation services under this title or to postsecondary education or employment;''.

(c) SERVICES FOR STUDENTS WITH DISABILITIES.—Section 101(a) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is further amended by adding at the end the following:

''(25) SERVICES FOR STUDENTS WITH DISABILITIES.—The State plan for a transition services expansion year shall provide an assurance satisfactory to the Secretary that the State—

''(A) has developed and implemented strategies to address the needs identified in the assessment described in paragraph (15), and achieve the goals and priorities identified by the State, to improve and expand vocational rehabilitation services for students with disabilities on a statewide basis in accordance with paragraph (15); and

''(B) from funds reserved under section 110A, shall carry out programs or activities designed to improve and expand vocational rehabilitation services for students with disabilities that—

''(i) facilitate the transition of the students with disabilities from the receipt of educational services in school, to the receipt of vocational rehabilitation services under this title, including, at a minimum, those services specified in the interagency agreement required in paragraph (11)(D);

''(ii) improve the achievement of post-school goals of students with disabilities, including improving the achievement through participation (as appropriate when vocational goals are discussed) in meetings regarding individualized education programs developed under section 614 of the Individuals with Disabilities Education Act (20 U.S.C. 1414);

''(iii) provide vocational guidance, career exploration services, and job search skills and strategies and technical assistance to students with disabilities;

''(iv) support the provision of training and technical assistance to State and local educational agency and designated State agency personnel responsible for the planning and provision of services to students with disabilities; and

''(v) support outreach activities to students with disabilities who are eligible for, and need, services under this title.''.

SEC. 476. SCOPE OF SERVICES.

Section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723) is amended—

(1) in subsection (a), by striking paragraph (15) and inserting the following:

''(15) transition services for students with disabilities, that facilitate the achievement of the employment outcome identified in the individualized plan for employment, including, in a transition services expansion year, services described in clauses (i) through (iii) of section 101(a)(25)(B);'';

(2) in subsection (b), by striking paragraph (6) and inserting the following:

''(6)(A)(i) Consultation and technical assistance services to assist State and local educational agencies in planning for the transition of students with disabilities from school to post-school activities, including employment.

''(ii) In a transition services expansion year, training and technical assistance described in section 101(a)(25)(B)(iv).

''(B) In a transition services expansion year, services for groups of individuals with disabilities who meet the requirements of clauses (i) and (iii) of section 7(35)(A), including services described in clauses (i), (ii), (iii), and (v) of section 101(a)(25)(B), to assist in the transition from school to post-school activities.''; and

(3) in subsection (b) by inserting at the end, the following:

''(7) The establishment, development, or improvement of assistive technology demonstration, loan, reutilization, or financing programs in coordination with activities authorized under the Assistive Technology Act of 1998 (29 U.S.C. 3001), as amended, to promote access to assistive technology for individuals with disabilities and employers.''.

SEC. 477. STANDARDS AND INDICATORS.

Section 106(a) of the Rehabilitation Act of 1973 (29 U.S.C. 726(a)) is amended by striking paragraph (1)(C) and all that follows through paragraph (2) and inserting the following:

''(2) MEASURES.—The standards and indicators shall include outcome and related measures of program performance that—

''(A) facilitate the accomplishment of the purpose and policy of this title;

''(B) to the maximum extent practicable, are consistent with the core indicators of performance, and corresponding State adjusted levels of performance, established under section 136(b) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(b)); and

''(C) include measures of the program's performance with respect to the transition to post-school vocational activities, and achievement of the post-school vocational goals, of students with disabilities served under the program.''.

SEC. 478. RESERVATION FOR EXPANDED TRANSITION SERVICES.

The Rehabilitation Act of 1973 is amended by inserting after section 110 (29 U.S.C. 730) the following:

''SEC. 110A. RESERVATION FOR EXPANDED TRANSITION SERVICES.

''(a) RESERVATION.—From the State allotment under section 110 in a transition services expansion year, each State shall reserve an amount calculated by the Director under subsection (b) to carry out programs and activities under sections 101(a)(25)(B) and 103(b)(6).

''(b) CALCULATION.—The Director shall calculate the amount to be reserved for such programs and activities for a fiscal year by each State by multiplying $50,000,000 by the percentage determined by dividing—

''(1) the amount allotted to that State under section 110 for the prior fiscal year, by

''(2) the total amount allotted to all States under section 110 for that prior fiscal year.''.

SEC. 479. CLIENT ASSISTANCE PROGRAM.

Section 112(e)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 732(e)(1)) is amended by redesignating subparagraph (D) as subparagraph (E) and inserting after subparagraph (C) the following:

''(D) The Secretary shall make grants to the protection and advocacy system serving the American Indian Consortium to provide services in accordance with this section. The amount of such grants shall be the same as provided to territories under this subsection.''.

SEC. 480. PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.

Section 509(g)(2) of the Rehabilitation Act of 1973 (29 U.S.C. 794e(g)(2)) is amended by striking ''was paid'' and inserting ''was paid, except that program income generated from such amount shall remain available to such system for one additional fiscal year''.

SEC. 481. CHAIRPERSON.

Section 705(b)(5) of the Rehabilitation Act of 1973 (29 U.S.C. 796d(b)(5)) is amended to read as follows:

''(5) CHAIRPERSON.—The Council shall select a chairperson from among the voting membership of the Council.''.

SEC. 482. AUTHORIZATIONS OF APPROPRIATIONS.

The Rehabilitation Act of 1973 is further amended—

(1) in section 100(b)(1) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(2) in section 100(d)(1)(B) by striking ''fiscal year 2003'' and inserting ''fiscal year 2012'';

(3) in section 110(c) by amending paragraph (2) to read as follows:

''(2) The sum referred to in paragraph (1) shall be, as determined by the Secretary, not less than 1 percent and not more than 1.5 percent of the amount referred to in paragraph (1) for each of fiscal years 2008 through 2012.'';

(4) in section 112(h) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(5) in section 201(a) by striking ''fiscal years 1999 through 2003'' each place it appears and inserting ''fiscal years 2008 through 2012'';

(6) in section 302(i) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(7) in section 303(e) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(8) in section 304(b) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(9) in section 305(b) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(10) in section 405 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(11) in section 502(j) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(12) in section 509(l) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(13) in section 612 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(14) in section 628 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(15) in section 714 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(16) in section 727 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012''; and

(17) in section 753 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012''.

SEC. 483. CONFORMING AMENDMENT.

Section 1(b) of the Rehabilitation Act of 1973 is amended by inserting after the item relating to section 110 the following:

''Sec. 110A. Reservation for expanded transition services.''.

SEC. 484. HELEN KELLER NATIONAL CENTER ACT.

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 205(a) of the Helen Keller National Center Act (29 U.S.C. 1904(a)) is amended by striking ''1999 through 2003'' and inserting ''2008 through 2012''.

(b) HELEN KELLER NATIONAL CENTER FEDERAL ENDOWMENT FUND.—The first sentence of section 208(h) of such Act (29 U.S.C. 1907(h)) is amended by striking ''1999 through 2003'' and inserting ''2008 through 2012''.

Subtitle E—Transition and Effective Date

SEC. 491. TRANSITION PROVISIONS.

The Secretary of Labor shall take such actions as the Secretary determines to be appropriate to provide for the orderly implementation of this title.

SEC. 492. EFFECTIVE DATE.

Except as otherwise provided in this title, this title and the amendments made by this title, shall take effect on the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to House Resolution 781, the gentleman from Louisiana (Mr. MCCRERY) and a Member opposed each will control 30 minutes.

Mr. LEVIN. Mr. Speaker, I ask that the time in opposition be controlled by the gentleman from Washington (Mr. MCDERMOTT).

The SPEAKER pro tempore. Is the gentleman from Washington opposed to the amendment?

Mr. MCDERMOTT. Yes.

The SPEAKER pro tempore. The gentleman will control 30 minutes.

The Chair recognizes the gentleman from Louisiana.

Mr. MCCRERY. Mr. Speaker, the amendment I offer, along with Mr. MCKEON, is a substitute for the bill that is before the House this afternoon.

Our amendment would reform and reauthorize for 5 years the Trade Adjustment Assistance program, and we believe our substitute would strengthen and improve not only TAA but the Workforce Investment Act program as well.

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Our bill would better equip workers affected by trade, globalization, and other causes of job loss with the skills needed to adjust to changes in the global economy.

Our Republican alternative consists of four related pieces of legislation separately introduced this year. Some of these are under the jurisdiction of the Ways and Means Committee; others are under the jurisdiction of the Education and Workforce Committee.

Among other things, our bill would provide more flexible training options to get people into training sooner and back to good jobs more quickly. For example, we've heard some discussion about the plant closing notice. The bill before the House this afternoon would expand the amount of time from 60 days to 90 days that a plant company would have to give notice to employees of either plant closure or a substantial layoff at that plant.

Under the current constriction of TAA, a worker in that plant wishing to, perhaps, go to job training at night after he gets off work, waiting for the expiration of the 60-day notice or the 90-day notice could not qualify for TAA training benefits. Our substitute would correct that and allow that worker to take advantage of trade adjustment assistance while he is still working in that plant that he knows is going to be closed and where he would lose his job.

Number two, our bill would continue the health coverage tax credit over our bill's 5-year life and increase the premium subsidy from 65 percent to 70 percent. Mr. LEVIN earlier talked about how the current 65-percent credit has not been enough to entice a high number of laid-off workers under TAA to claim that credit and get their health care, their health insurance through that method, and he is right. The take-up rate on this benefit has been lower than we expected, and so some adjustment is necessary. Whether that adjustment, the appropriate one to provide the right level of enticement, is 70 percent, or in their bill 85 percent, we don't know. We are willing to go up on that. We think it is appropriate to do that. We've included 70 percent in our bill. And the House should know that that means that a person who is laid off and who is eligible for trade adjustment assistance can get, under our substitute, 70 percent of the premium paid by the government. So, that laid-off worker would only have to come up with 30 percent of the premium to continue coverage under COBRA or to get some other qualified insurance plan.

Number three, our bill would convert the wage insurance pilot program for older workers into a transitional wage supplement for all TAA workers, regardless of their age. It would be allowed for any worker who became reemployed at low wages, low wages being defined as minimum wage plus $2.40 an hour, and allow them to obtain, at the same time they were getting this wage supplement, the health care tax credit and additional trade adjustment training, which right now, if a person goes back to work, under TAA he is not eligible for those benefits. So our bill would expand the availability of the health care tax credit and job training under TAA for people who go back to work and who are receiving a wage supplement.

Number four, our bill would require indicators of performance to evaluate the Trade Adjustment Assistance programs and their results. Currently, TAA programs have no measure of performance, no way for us to tell if these programs are being effective or if taxpayer dollars are being wasted. Our bill would put in place those indicators of performance to give us the idea of the efficiency of these programs.

Number five, in provisions affecting the unemployment insurance program, our bill would allow States to apply for cost-neutral waivers of current rules to operate wage insurance and other demonstration programs to better assist unemployed workers in returning to work.

Now, Mr. Speaker, I have heard some in opposition to the Republican substitute say that this would allow States to do away with their unemployment insurance benefits. We certainly didn't intend that in our substitute; we don't think that the language would allow that. But in any event, a State would have to get a waiver from the executive branch to take advantage of these provisions, and I doubt seriously if any executive branch under any President would allow a State to just do away with its unemployment insurance benefits. So, I don't really think that's a valid argument in opposition to this increased flexibility that could assist unemployed workers.

And number six, our bill also creates a new trade-related category for qualification under the new markets tax credit. Businesses and communities experiencing adverse economic effects due to trade would qualify for an additional $500 million of new markets tax credits. These tax credits, we believe, would bring significant amounts of private capital into these economically disadvantaged areas to create jobs to replace those that had been lost due to trade.

Mr. Speaker, we believe this substitute is a much more cost-effective approach than that contained in H.R. 3920 and would help all Americans, not just those who lose jobs to trade, get the skills needed to find productive new jobs.

I urge my colleagues to vote for the substitute.

Mr. Speaker, I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend my Republican colleagues for proposing a substitute today. It's healthy for America to see two different views on how we should help dislocated workers.

Democrats want to help more workers who lose their jobs because of trade, especially workers providing services. The Republican substitute says no to helping those workers.

Democrats want to assure more dislocated workers have an opportunity to receive training. The Republican substitute would, instead, cap the amount of training any worker can receive, not to go on and finish a program.

Democrats want to assure health care coverage is affordable for workers losing their jobs by paying 85 percent of their premium. The Republican substitute said, well, 65 wasn't enough, but we'll give you 70. So again, they cut the workers short.

Democrats want a better wage insurance program to help trade-affected workers who are reemployed in jobs that pay less than their prior employment. The Republican substitute guts the program as it presently exists and instead only provides a benefit to those at the very lowest wage jobs.

Republicans don't care if workers have a chance to get a living-wage job; they want to force people back to minimum-wage jobs. Democrats want to help States improve unemployment insurance for all workers who are denied unfairly their benefits, especially women. The Republican substitute goes in the opposite direction by allowing the administration to approve waivers from States that could deny more jobless workers unemployment insurance.

In short, the Democrats want to help workers navigate the global economy. The Republican substitute, on the other hand, tells workers, well, you're still, more or less, on your own.

After this substitute is defeated, I'm hopeful that some of my colleagues on the other side of the aisle will ultimately join us in passing a bill to assist America's workers when they lose their jobs through no fault of their own.

Mr. Speaker, I reserve the balance of my time.

Mr. MCCRERY. Mr. Speaker, before yielding to Mr. MCKEON, I want to

point out that the underlying bill, as described by my friend from Washington, does, indeed, double, and then even later triples, the TAA training budget when nearly $300 million of the current budget lies unused. That's just an example of how we think the underlying bill that we oppose goes way too far in expanding this program needlessly.

Mr. Speaker, I yield such time as he may consume to the ranking member of the Education and Labor Committee. I'm sorry, I've been calling it the Education and Workforce Committee. My apologies to the chairman and to the members of that committee. It is now the Education and Labor Committee, and Mr. MCKEON is the ranking member.

Mr. MCKEON. I thank the gentleman for yielding.

You know, it has been 9 years since Congress last reauthorized the Workforce Investment Act, known as WIA. We made dramatic improvements through the last reauthorization, strengthening the nationwide system of one-stop training centers where workers can access a variety of training services.

I remember not too long after we did that, two of the displaced workers in my district, we've lost many jobs for aerospace workers, two of them came up to me and thanked me for having done this because they had been able to go back and get vouchers, receive additional training. One of them was becoming a teacher and one was going to be a computer operator. And we've seen many people benefit from that program. But as yet, it has not been reauthorized this year.

The system has served job seekers well. WIA now integrates employment and training services at the local level in a more unified workforce development system, which it did not do prior to the 1998 reforms. Yet, without renewal today, it cannot possibly keep pace with the rapidly changing needs of workers in a dynamic economy.

Earlier this month, Republicans unveiled a comprehensive road map for reforming both job training and higher education. The Higher Education Act and WIA each play a critical role in keeping Americans competitive by developing the skills and knowledge necessary in a changing economy. Unfortunately, Democrats have not offered proposals to strengthen either of these critical programs.

I am pleased to be joining Representative MCCRERY today in offering a proposal that links our job training reforms with the renewal of the Trade Adjustment Assistance program. These proposals work hand in hand to provide dislocated workers the type of responsive, flexible training and assistance they need to get back to work.

Our proposal will strengthen WIA's infrastructure, eliminate duplication and waste, increase accountability, enhance the role of employers, and increase the State and local flexibility. Together, these reforms will ensure the Nation's workforce development system can respond quickly and effectively to the changing needs of job seekers and those in need of training.

The time for job training is long overdue. The Department of Labor has made efforts to allow flexibility and creativity within the existing system, and numerous stakeholders have proposed innovative new strategies. However, this type of reform has been hampered because Congress has failed to act.

One of the most important steps we can take to strengthen our job training system is to increase program efficiency and focus on results. We must eliminate duplication and redundancy and create a more seamless system that can be flexible based on changing needs.

Our amendment will eliminate current barriers to effective programs and services. We will enhance the services offered to job seekers, providing greater flexibility and eliminating arbitrary requirements that prevent some workers from getting the services they need.

We also plan to restore long-standing hiring protections to faith-based organizations in order to ensure that they are able to participate fully in the job training system.

To foster regional economic development, the Republican plan would allow regional areas to integrate workforce development programs, one-stop services, and community and economic development funds into a comprehensive workforce development system.

Finally, our plan would strengthen programs targeted towards specific populations, improving adult education, vocational rehabilitation, and youth programs.

Mr. Speaker, I support trade adjustment assistance, and I support its extension and renewal.

I want to recognize Representative MCCRERY for his leadership on this important issue. Our amendment will better integrate TAA with other Federal programs to more effectively equip workers affected by trade, globalization and other causes of job loss with skills they need to adapt to the changing global economy. It will join these TAA improvements to long-overdue job training reforms. We need to update these programs to be competitive worldwide.

I urge my colleagues to join me in voting ''yes'' on the Republican substitute, which will provide a comprehensive approach to helping keep America competitive.

Mr. MCDERMOTT. Mr. Speaker, may I inquire as to how much time is remaining on each side.

The SPEAKER pro tempore. The gentleman from Washington has 28 minutes. The gentleman from Louisiana has 17½ minutes.

Mr. MCDERMOTT. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, I rise in support of TAA assistance and therefore oppose this weakening amendment.

But we should recognize that TAA is a Band-Aid on a self-inflicted wound. Our trade policies are gutting the American economy far beyond the ability of TAA to ameliorate the pain.

What is obvious is the loss of individual industrial plants. What is less visible is the increase in our interest rates and a decline in our national industrial base.

Today, let us adopt the Band-Aid, but let us not use the presence of those Band-Aids as an excuse for further self-inflicted wounds.

□ 1345

Today, we should pass TAA. Tomorrow, let us stop the bleeding. Let us not adopt trade agreements that increase our trade deficit. And let us begin to renegotiate existing trade agreements so that they are based on results rather than based on form.

Let us build an economy where demand for labor is so high that instead of hearing stories of pain from workers, we are hearing from employers fighting for every available employee. Let us hear of a dollar that is more valuable than the Euro and let us have a trade policy that for every dollar of imports, we match it with a dollar of exports. Until then, there are workers who are in pain, who are casualties of our ill-conceived trade policies. They need and deserve our help.

Mr. MCDERMOTT. Mr. Speaker, I yield 1½ minutes to Mr. HODES of New Hampshire.

Mr. HODES. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 3920 and in opposition to the Republican substitute. Last Tuesday, 303 workers in Groveton, New Hampshire, a small paper mill town, heard over the radio and by newspaper the devastating news that Wausau Paper was closing the mill at the end of the year. On Friday, I sent a letter to Labor Secretary Chao asking for expedited help under the existing TAA, and on Monday I traveled to Groveton and met with a number of the affected workers. It is difficult to describe how devastating this closure is to the town of Groveton, to the families of the workers and to the region. Many of the proud workers of that mill are third and fourth generation. They have got no other skills. This is the life they know.

As I explained on Monday to the workers what kind of help is available in the current TAA, the thought that was going through my mind was that this was not enough. We need to do more. These folks, their family, this community need more and deserve more help from the Federal Government. The ripple effects of this closure are huge. It goes out into the community, to other businesses and vendors. That is why the H.R. 3920 provisions to redevelop communities hit by the loss of manufacturing jobs through the designation of manufacturing redevelopment zones is so important.

We've got more workers who need help. They face harder times and higher costs, especially for health care. We need to expand the TAA. Now is not the time to go backwards. The Republican substitute is no substitute. It takes us backwards. I urge my colleagues to vote against the Republican proposal and support H.R. 3920.

Mr. MCDERMOTT. Mr. Speaker, I yield 1½ minutes to Mr. HIGGINS of New York.

Mr. HIGGINS. Mr. Speaker, I represent an area of western New York which includes the Buffalo/Niagara region. Over the past 5 years, that region has lost 25 percent, or 22,000 manufacturing jobs. One of the gentlemen from the other side said that one of the reasons for not updating the program or adjusting it is because there is a $300 million surplus in the program. I would argue that that is the best reason for renewing the program, to include workers who are precluded from benefits today.

I oppose the Republican amendment. The Republican amendment would eviscerate the Trade Adjustment Assistance program and its very purpose. Under the Republican amendment, it would preclude service workers from receiving benefits. Unlike H.R. 3920, the Republican amendment does not cover service workers. Yet according to one study by a leading technology consulting firm, 3.3 million service workers will lose their jobs by 2015.

The Republican amendment would prohibit manufacturing workers whose jobs are offshored to China or India from receiving benefits. Current law precludes those workers from eligibility. 3920 fixes this inequity.

Finally, the Republican amendment would cut worker training benefits. All of the States who have enrolled displaced workers in these programs, the cost exceeds that which is provided in the Republican amendment.

Mr. MCCRERY. Mr. Speaker, I yield myself such time as I may consume.

The Republican substitute before the House at this time does not eviscerate anything, much less the TAA program which is reauthorized in the substitute for 5 years exactly as it is. The benefits are the same. The amounts are the same. I don't know where the last speaker got his information, but the substitute certainly does not eviscerate the TAA program. It reauthorizes the existing program for 5 years. Then, in addition, we make some changes in the law that allow those benefits under the TAA to be used in instances where under current law they can't be used, and I have described one of those already in my earlier presentation.

So I hope this House doesn't get the wrong impression about this substitute. It certainly endorses the TAA program. We are for the TAA program. We think it is important. But we think our bill gives a lot more flexibility that is needed in the program and some accountability in the program that is needed. In addition to that, we do provide additional funds in our bill, and it is paid for under the PAYGO rules of the House. I just wanted to make that clear.

I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. I thank the gentleman for yielding to me and commend him for his leadership on this issue.

Mr. Speaker, I reluctantly rise in opposition to the substitute being offered to us today and in strong support of the Trade and Globalization Assistance Act that we have been debating this afternoon.

I believe that in order to forge a renewed consensus in support of trade in this country, we really need to accomplish three things: One is we need a new template on trade agreements, one that I think will be reflected with the Peru trade agreement that will come to the floor next week that calls for core international labor standards and environmental standards in the bulk of the agreement so we begin to level the trading field.

Another important ingredient is the strong enforcement of trade agreements by this administration and future administrations so that workers and businesses alike know that everyone is playing by the same rules and if they are not, there will be consequences.

Finally, there has to be assurance to the workers of this country that when they do feel the adverse affects of globalization and job displacement or downsizing or outsourcing, there will be adequate programs there to assist them to get on their feet, from job training funding to adequate health care coverage during a very difficult and oftentimes traumatic moment in their lives.

Unfortunately, the substitute falls short in regards to the support mechanism. It precludes service workers from qualifying for these TAA benefits. It prohibits manufacturing workers whose jobs are offshored to China and India from qualifying for these benefits. It also cuts worker training benefits by capping it at $8,000, even though we know that the average State today is spending close to $15,000 for job training benefits.

Finally, they pull up short on the crucial aspect of adequate health care. They move from 60 to 70 percent support for the premiums of workers, whereas we go to 85 percent. And even at 85 percent, that remaining 15 percent can be very, very expensive for the average worker when they have lost their job and they don't have an income. They also don't minimize the gaps in coverage as we do. And they also don't allow the continuation of COBRA coverage for employees as we do in the substitute.

I would encourage my colleagues to support H.R. 3920 and oppose the Republican substitute.

Mr. MCCRERY. Mr. Speaker, I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Speaker, I yield 1½ minutes to Mrs. MCCARTHY of New York.

Mrs. MCCARTHY of New York. Thank you for yielding.

As we have heard today, the TAA program helps hardworking Americans transition to the global economy and adjust to economic changes resulting from the trade policy of the United States. Training and education play a major role in whether workers will have future success on the job. We have seen the dissatisfaction of the American people with the global economy. You have heard from many of my colleagues on how many people have lost jobs. Most of them are manufacturing jobs.

A lot of these people that lose their jobs can be trained. I am happy to say that the Ways and Means Committee worked with me on making sure career and technical schools and colleges have the opportunity to be part of the TAA program. It is important for people to understand when someone is in their late fifties and they lose their job because of the global economy, that they have skills but they need to upgrade those skills for the world that we are seeing in the future. Technical and career colleges offer those particular uses.

I am happy to say that the TAA bill that the Democrats have put forward are going to help our workers throughout this country, and with health care so that they can provide. Our workers are putting in more time than ever before. Our productivity is up. But, again, we have to keep pace with education. I am very happy to say that we are part of that educational system.

This is a good bill. I rise against the Republican substitute because it doesn't fill the bill. We have waited too long to get this done.

Mr. MCCRERY. Mr. Speaker, may I inquire as to the time remaining.

The SPEAKER pro tempore. The gentleman from Louisiana has 16 minutes remaining and the gentleman from Washington has 20 minutes remaining.

Mr. MCCRERY. I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. MCINTYRE).

Mr. MCINTYRE. Mr. Speaker, I oppose the Republican amendment which guts the trade adjustment assistance program's very purpose, which is to be able to help workers affected by trade and globalization get the help they need to get back on their feet and obtain new, good-paying jobs, and I support the underlying bill.

Earlier this year, I joined other members of the North Carolina delegation and introduced a similar bill, H.R. 1729, the Trade Adjustment Assistance Reform Act, whose essential language is mirrored in this bill. The provisions in our original bill were based on the recommendations made by the North

Carolina Dislocated Worker Advisory Committee, a group convened by the North Carolina Rural Economic Development Center that included, among others, leaders from the community college system, the Employment Security Commission and the Workforce Development Division of the North Carolina Department of Commerce.

Mr. Speaker, North Carolina's involvement in the TAA debate is important. Why? Because our State has had the most workers covered by TAA certifications, the most workers benefiting from the health coverage tax credit, and one of the highest number of workers enrolled in TAA-sponsored worker training. In fact, as of August 10 of this year, there were 12,693 TAA participants in North Carolina, including over 9,800 enrolled in training. That is why I am very pleased to support the underlying bill and oppose this Republican amendment.

This bill also expands TAA eligibility to include dislocated workers affected by a shift in production in which the workers' jobs are moved to nations with no preferential trade agreements, such as China. It also gives our States the flexibility and increased funding to meet the increasing demand for services and increases the health coverage tax credit to 85 percent of the dislocated workers' health care premiums. It makes changes to simplify the application process for dislocated workers so that they can get help in a timely manner.

In the last 5 years, Mr. Speaker, North Carolina has been hurt by manufacturing layoffs more than any other State. We have had the most demand for trade adjustment assistance. Therefore, I urge the Congress to oppose this substitute amendment. Let's get on to the business at hand, approve this underlying legislation and have the President sign it into law.

□ 1400

Mr. MCCRERY. Mr. Speaker, I yield 4 minutes to the distinguished ranking member of the Trade Subcommittee, the gentleman from California (Mr. HERGER).

Mr. HERGER. Mr. Speaker, I rise in support of an amendment in the nature of a substitute to H.R. 3920 offered by Mr. MCCRERY and Mr. MCKEON. In particular, I would like to focus on the provisions in this amendment that would provide TAA participants with quicker access and more flexible training options to obtain the skills they need to return to work as quickly as possible.

H.R. 3920 contains some TAA training reform, but it is largely geared towards keeping people in TAA longer, and is costly. In contrast, this amendment provides much greater individual choice and more flexible access to training through a new approach designed to get people into training sooner and better equip them to get back to work more quickly. For example, this amendment would improve TAA participants' access to training and education by: one, providing New Economy Scholarships of up to $8,000 that a participant can use over a 4-year period in a range of training programs; and, secondly, authorizing $50 million for new capacity building grants for community colleges and other training providers to offer enhanced training to more TAA participants.

This amendment also would provide TAA participants with more flexible training options that are not available under current law, including allowing participants to combine full-time work with either full-time or part-time training, or combine part-time work with either full-time or part-time training; and allowing training programs that lead to a license, certificate or community college degree and are linked to a high-demand occupation, as well as apprenticeship programs.

Moreover, this amendment would enable TAA participants to begin training sooner, even prior to layoff. This amendment also allows workers to focus on a job search sooner, while receiving income support, without also having to be in training or obtain a training waiver, which is required today. This amendment also would encourage better allocation of current training funds for the States, which have not been fully used, by requiring the Department of Labor to report to Congress every 6 months on this funding allocation.

Mr. Speaker, I believe this amendment makes meaningful training reforms to TAA that would provide more flexible options to participants and better enable them to gain the skills they need to return to work sooner. I urge my colleagues to support the amendment in the nature of a substitute.

Mr. MCDERMOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. MEEK).

Mr. MEEK of Florida. Mr. Speaker, it is an honor being here to address this piece of legislation, TAA legislation especially, better known as the Trade and Globalization Assistance Act. It is very, very important to the progress of trade. Also, it is important to many States out there in the Union. I think it is important. I stand to oppose the Republican amendment to this great piece of legislation, because if you adopt their amendment, you're doing less than what we would like to do in the present legislation that is on the floor today.

Mr. Speaker, when it comes down to training funds, this bill doubles the current training funding cap from $220 million to $440 million and increases it to $660 million by 2010. This is music to the ears of so many States and especially individuals that have lost their jobs because of trade, because of globalization.

So we are here on the floor, especially with me being a member of the Subcommittee on Trade, we are here on the floor to promote not only training, but also assisting those States that are led by Democrat and Republican Governors. So I share with all of my colleagues here on the floor: Do what is right. To say that we can cut things in half or keep things at status quo and still do a good job by allowing individuals that have lost their jobs the assistance that they need as relates to training, as it relates to health care, is just not living in the real world.

I encourage the Members to vote against the Republican amendment, oppose it, and support the Trade and Globalization Assistance Act that is brought by the majority. I know that it will be a bipartisan vote in the final analysis.

Mr. MCCRERY. Mr. Speaker, unless the cavalry comes riding over the hill, I only have one remaining speaker.

Mr. MCDERMOTT. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas (Mr. HINOJOSA).

(Mr. HINOJOSA asked and was given permission to revise and extend his remarks.)

Mr. HINOJOSA. Mr. Speaker, I rise in opposition to the McCrery amendment in the nature of a substitute. I support the underlying bill, H.R. 3920, which is important to our State of Texas and to our Nation. The Education and Labor Committee, on which I serve, is separately considering the reauthorization for the Workforce Investment Act. The Trade and Globalization Assistance Act is not the appropriate bill for addressing it. Rather than address the root causes of why little actual job training services are provided under WIA, the McCrery substitute gives Governors and not consumers, the American workers, greater control over critical resources.

Mr. Speaker, most alarming is the fact that the minority believes it can simply change the bureaucratic elements of the WIA system and ensure those who need training receive it. Actual job training has fallen 50 percent under WIA, compared to JTPA. Only 200,000 adults and dislocated workers have received training, out of 8 million unemployed individuals. The Department of Labor estimates that less than 50 percent under WIA funds are being used for core, intensive and training services. In real terms, appropriations for WIA have dropped by over $1 billion during this administration's clock in the last 6 years. Just this past year this administration has proposed a cut of $1 billion, including a rescission. Fortunately, our Appropriations Committee has restored this funding.

It should also be noted that WIA expired in 2003, and the minority had ample opportunity to reauthorize WIA but failed to do so. Representative MCKEON only introduced the WIA reauthorization bill earlier this month, essentially with the same proposals that failed to pass the previous two Congresses. Moreover, given the length of time that has transpired from the 108th Congress when the Workforce Investment Act was due to be reauthorized,

until today, it is essential that we give this critical piece of legislation a fresh look.

Mr. Speaker, we have a changing economy and labor force, which means that there are new challenges and new opportunities that we should consider. The Education and Labor Committee has actively begun the WIA reauthorization process. The Subcommittee on Higher Education, of which I am the chairman, held two hearings in June and July, and received recommendations from stakeholders on WIA reauthorization. The subcommittee also asked all interested parties to submit proposals to the committee, and the committee staff is reviewing those recommendations that have been submitted by over two dozen organizations and continues to meet with interested groups on WIA. Committee staff has offered to work with the minority staff as WIA proceeds through the committee.

Regrettably, WIA programs have suffered funding cuts over the past 7 years, largely because the administration requested the cuts and opposed congressional efforts to approve WIA funding.

Mr. Speaker, I urge my colleagues to reject the substitute amendment and to vote for passage of the underlying bill.

Regrettably, WIA programs have suffered funding cuts over the past 7 years largely because the administration has requested the cuts and opposed congressional efforts to improve WIA funding. It is my hope that we can generate bipartisan support to reverse that trend.

I urge my colleagues to reject the substitute amendment and to vote for passage of the underlying bill.

Mr. MCDERMOTT. Mr. Speaker, I yield 1½ minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I rise in opposition to the McCrery substitute and in support of the Rangel-Levin-McDermott underlying bill.

As we continue to expand and open our markets to new competition, we have an economic and a moral responsibility to ensure that our domestic workers are equipped with the necessary skills and tools to compete in a global market.

I support free trade, which is all the more reason to support the reforms and expansion of a program that will help our workers adversely affected by trade and the globalization of our economy. It is estimated that more than 3 million service workers' jobs will go overseas by 2015, so the expansion of coverage to the service workers section is especially important and appropriate.

But the McCrery substitute will limit trade assistance adjustment by not offering any support to service or public sector workers. The substitute will also set a cap on available training funds, denying many workers the tools and resources to be more competitive in the global economy. And as I read the language of the substitute, for the first time of the 70-year history of the unemployment insurance system, the substitute would allow States to deny unemployment insurance benefits to dislocated workers. The underlying bill provides American workers with the support and tools needed to expand job training opportunities and transition workers into 21st century jobs.

This bill, H.R. 2930, triples the current job training cap to $660 million by 2010 and increases the health care premium subsidy to 85 percent. This is an important investment in the American workforce to enable Americans to remain competitive in the global economy.

So I ask my colleagues to vote against the Republican substitute and vote for H.R. 2930, the McDermott-Rangel-Levin bill.

Mr. MCCRERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would point out that service workers today are entitled to unemployment insurance benefits, and that is the primary form of income support under TAA. But to expand to service workers all of the other array of benefits under the TAA may be premature.

In a bill that passed this Congress and was signed by the President earlier this year, there was a mandate for a study to look at service workers and the impact of trade on service workers. We don't yet have, obviously, the results of that study, so it may be premature to just willy-nilly offer all these benefits to service workers.

And while Mr. MORAN spoke about some projection of losses of service worker jobs over the next 10 or so years, in an April 2007 paper, the Peterson Institute for International Economics evaluated data on the extent of the impact of off-shoring on service sector labor markets in the United States, and their review of the data concluded that just under 1 million American service workers lost their jobs from 2004 to 2005 due to mass layoffs of 50 or more employees, while 8 million service sector jobs were created during that time. And of those 1 million jobs lost, only about 4 percent could be attributed to off-shoring or offshore outsourcing.

So I think the question of the impact of trade on the service sector is certainly an open one, and the House may be well advised to wait for the results of the study that we mandated in previous legislation that passed this year.

Mr. Speaker, I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman for yielding, and I rise in opposition to this substitute and in strong support of the underlying legislation.

I really want to say that I think that this is the bare minimum that a society and a government can do for those members of our society that find themselves in a situation, really through no fault of their own, that they suffer job loss because of a decision that is made to close a facility or to transfer their job overseas.

What we have now seen over the last decade is that there has been a huge impact in families all across this country, in all different parts of the region of this country, that have been economically severely displaced, that have had to scramble to try and get job training, to get health care, to get a new job, to get a new profession, to get a new occupation. At first, people thought it was only limited to those who did hot, heavy, dirty, nasty jobs. But that is not the case. What we see is, with the continued trend toward globalization and outsourcing, that it can impact all different classes of Americans.

But at a minimum, what we ought to do is make sure that those people have some ability to make a transition to that new job, to that new profession, to retirement if they are older workers, and not risk losing everything that they built up during the time that they were holding their jobs. They should not be in a position where they are scrambling to try to find health care, job training, saving their home, maybe their kids' education, and maybe even the car they need to go to work. Too often, that is what happens in this country because of the inadequacies of these underlying laws. Trade assistance over the last decade, WIA over the last decade, have not provided comprehensive services for these workers that they can fully engage in.

□ 1415

We need these kinds of changes that are presented by the committee bill coming out of Ways and Means. I believe we need the notification provisions that came out of the Education and Labor Committee, and clearly we need an extension of the COBRA benefits for people who find themselves in great jeopardy of not only temporarily losing health care, but very likely permanently losing health care until they are eligible for Medicare because they may have health conditions that are preexisting and it is either so expensive to get an individual policy or people won't write that policy for them, for whatever excuses they have to cover up the idea of a preexisting condition.

So this is a basic fundamental compact between this government that has made a decision, I think properly so, to engage the rest of the world through trade agreements and globalization, but we have to look at what happens here at home. These trade agreements are now being strengthened through the good work of Mr. RANGEL and the committee and Mr. LEVIN and others, to provide for ILO labor standards overseas so we can compete on a fairer basis with workers overseas, with environmental standards so we don't let them subsidize products by just dumping toxins into the rivers and bays and oceans.

This is an important piece of legislation, and I urge my colleagues to support it.

Mr. MCDERMOTT. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, my distinguished colleague from Louisiana keeps worrying about the fact that we are mischaracterizing his amendment. I want to take a specific because the whole question of putting a cap on training benefits is a cut in benefits from what we presently have. The unworkable thing that was in the law before, when you cap at $4,000 the amount per year that a worker can get, a total of $8,000 over a 2-year period, in Minnesota and Maine, 50 percent of the workers spend $10,000. Thirty percent of the TAA workers in Pennsylvania spend more than $15,000 over 10 years. Twenty-five percent of the people in South Carolina spend over $15,000. Eighty percent of the workers in Nebraska spend more than $10,000.

Now, when you put that cap on there, you are saying to a 45- or 50-year-old worker who used to make 35, 40, 45, 50, $55,000, we are not going to give you sufficient money to really retrain for a job that you had equivalent in pay before. You are saying whatever you can get for four grand, fine, that's it. But if it takes more than that, well, you're on your own.

This bill is designed to try and help workers who were the middle class in this country, people who were making livable wages. Now, you also say in your bill that your wage insurance, it used to be in the present bill if you were over 50 and your job was making less than $50,000 a year, you could receive up to an additional $5,000 if you took a job that paid less than you were making before.

Now, what you've done in this bill, in this amendment you offer, you say we will give you a minimum wage job, and if you don't make an additional $2.40 above that minimum wage in your State, then we will sort of give you a little cushion up to that $2.40. That is pushing people to low-wage jobs. You are taking those $50,000-a-year people who were working in auto factories and working in manufacturing jobs across this country and you are saying, go out and get yourself a minimum wage job and we'll give you an extra $2.40 an hour. My, aren't we generous.

And you understand why we talk about you gutting what miserable program you put in place in the first place.

This bill that we have put together here today is one that will allow States, and the reason why we put additional money in for training is no one could use it before. They will under our bill.

Mr. MCCRERY. Mr. Speaker, in response to the remarks of my friend from Washington, I would point out that using Bureau of Labor statistics, the average cost of training under current law is only $3,000. So the $8,000 New Economy Scholarship in our substitute more than doubles the amount available.

In the case of remedial education, the scholarship amounts to an extra $1,000, nearly tripling the average cost of training.

The most common provider of occupational training is the local community or technical college. The limit of $8,000 over 2 years is significantly greater than the average cost of a 2-year program at a community college, and is similar to limits that apply to other Federal postsecondary assistance.

Under current law, Mr. Speaker, while there is no specific monetary limit, as there is in our substitute, the cost of training must be reasonable and that reasonableness is decided by the various States. So the amount that is available is subject to judgment and to uncertainty. Our substitute removes that uncertainty so that a person knows going in how much he is going to have to spend on training.

Our substitute significantly enhances access to training by removing additional eligibility criteria and allowing people who do get new jobs to use the training benefit unlike current law. So we expand current law in that regard with respect to training benefits.

Mr. Speaker, I hope the gentleman from Washington has listened to my rebuttal and is convinced now that we don't gut the training benefits in TAA. If he is not, though, if he will vote for the substitute, I look forward to working with him to smooth out the complaints that he has.

I reserve the balance of my time.

Mr. MCDERMOTT. I wish you and I could have a debate.

Mr. Speaker, I yield 2 minutes to Mr. SESTAK, the gentleman from Pennsylvania.

Mr. SESTAK. Mr. Speaker, I watched the world change during nearly four decades in the Navy, having joined up in 1970. I have been almost everywhere. Several decades ago I went to China and to the United Arab Emirates when they were not the powers they are today.

The strength of our international trade is absolutely crucial to the economic prosperity and global competitiveness of our Nation. But there are consequences of globalization, and we must address them if we are to remain and have a fully skilled workforce that can continue to compete.

This is why trade adjustment assistance is so important. It ensures the transition of the workforce that is negatively impacted by trade to step back and to receive the tools that prepare them to reenter the workforce at a higher, more skilled, competitive level. Good for them. Good for America.

The substitute amendment removes this focus on ensuring a more wealthy economy because of a retrained workforce. It actually caps retraining funding at $8,000, less than all but one State. This, when economists state that if our competitive ability, based on an innovative, skilled workforce, does not change, China will be the number one economy by 2050 and India number two. We will be number three.

As service workers have grown to be a more significant part of the economy than they were when the initial Trade Assistance Act was passed in 1962, it is vitally important that we invest in their retraining also.

The substitute amendment would actually remove these workers, needed to be re-skilled for our economic future, from the bill. And at a time when health care premiums have risen as a not-so-hidden tax, 70 percent in the last 6 years, the substitute amendment does nothing to fix the flaws in the old Trade Assistance Act that precludes families from receiving the health care tax credit for which they are eligible.

In short, having visited the UAE and China decades ago, and seeing them now, there is no question that a small investment in a healthy, educated and retrained workforce is needed to preclude our economy from being number three.

We want the same quality of life our forefathers had when they invested in the GI bill, and this is no different. This is a small investment so we give the quality of life we had to our children.

Mr. MCDERMOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. The choice is clear. We have heard your rebuttal. Your bill does really nothing about the problem for people in manufacturing. If there is an outsourcing to China, the workers are out in the cold. That is cold, not like you. But it is cold.

Service employees, why distinguish? It is an increasing part of our economy. You do nothing.

In health care you put a little patch on a big problem, and that is not good health care.

Essentially what you are trying to do with your substitute is to minimize the problem rather than maximizing an effective response. The 3 percent figure as to the impact of trade is really out of thin air. It is surely not true of manufacturing. Not at all true. Some who served in Republican administrations say it has been much more than that.

In the capping of training, we heard the response from the representative of the administration. That $3,000 figure at best is an average, and even that is indefensible. Mr. MCDERMOTT read to you the number of States where training is much higher, so you essentially cut the worker off halfway. That's what you are going to do in terms of training.

Seven States ran out of resources in 2007, nine in 2006; you do nothing. We need a new trade policy. We need a new, vigorous TAA. We need more than a pat on the back.

Our bill does what needs to be done. I am afraid the substitute at best is a

pat on the back. Let's vote it down. Let's have a bipartisan vote for this TAA. Bipartisan, as we did in the Ways and Means Committee. Bipartisan.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LYNCH). The Chair reminds Members that all remarks in debate are to be addressed to the Chair.

Mr. MCCRERY. Mr. Speaker, may I inquire how much time remains on each side.

The SPEAKER pro tempore. The gentleman from Louisiana has 9 minutes remaining and the gentleman from Washington has 2 minutes remaining.

Mr. MCCRERY. Mr. Speaker, I yield myself such time as I may consume just one more time to try to rebut the characterization of the other side of our substitute with respect to training.

The information that we have, and we think it is reliable, is that no State ran out of training money, but obviously the majority has different information and at some point during the process we would love to sit down with them and examine their data and our information to see if there is some way to reconcile those and arrive at a conclusion that we both can embrace. We have not had that opportunity other than the limited debate we had in committee and now here on the floor, and we are hearing the same thing on the floor we heard in committee and so we haven't reconciled those differences. But clearly there are differences in the data that each of us thinks is reliable.

Mr. MCDERMOTT. Would the gentleman yield?

Mr. MCCRERY. I would be happy to yield.

Mr. MCDERMOTT. You will concede that the Department of Labor says that no State ran out of money, but that GAO said that nine States ran out of money, that there is an argument about how the States keep their books, will you not?

Mr. MCCRERY. Yes. As I said, I think each side has information that it deems reliable, but we have attempted to try to reconcile those two different sets of data. I am hopeful we will do that before this process is over.

Mr. MCDERMOTT. I hope you understand we put in more money because we hoped to cover more people.

Mr. MCCRERY. Absolutely.

Mr. MCDERMOTT. If we change some of the regulations, it will be more accessible to people.

Mr. MCCRERY. Absolutely. I do understand that. We, of course, as you know, question the need right now to include all those additional people, as I have talked about before, with respect to services workers.

□ 1430

But our substitute with respect to the universe of people presently covered under law by the Trade Adjustment Assistance, we think the training money in our substitute is more than adequate to cover the needs of that population with respect to training.

Mr. Speaker, I have one remaining speaker. The gentleman from Washington only has 2 minutes remaining, but are you ready to close?

Mr. Speaker, with your permission, I'll close for our side.

Mr. MCDERMOTT. Mr. Speaker, do you have the right to close? I think you have the right to close.

The SPEAKER pro tempore. Under the rules of the House, the gentleman opposing the amendment has the right to close, the gentleman from Washington.

Mr. MCDERMOTT. We have the right to close?

The SPEAKER pro tempore. You have the right to close, that's correct.

Mr. MCCRERY. Oh, well, thank you for the kind offer. I'm happy to close at this time, Mr. Speaker.

I think we've had a good debate today on the different approaches that the majority and minority have at this point on the Trade Adjustment Assistance Act. We certainly understand the importance of providing an array of benefits to people in this country who lose their jobs because of trade, and certainly Chairman RANGEL and I have talked and agreed that it's necessary for Congress to take action and to make sure that people in this country know that as we expand trade, that the benefits of trade expansion will be uneven. And there will be some in this country who will lose their jobs because of that expansion of trade, and we need to be prepared to assure those people that we will help them give them that helping hand to lift them up after they've lost that job and find training, education, whatever is necessary to get them a new job if they desire, and in the meantime give them benefits that will allow them to take care of themselves and their families.

So we agree on the importance of this program. I had hoped we would have had more give-and-take over the last couple of months with respect to crafting a bipartisan approach to reauthorizing the program, not only because the program was originally a bipartisan program, but also because we are trying, some of us on both sides of the aisle are trying to rebuild that bipartisan coalition for the expansion of trade around the world, knocking down trade barriers to our goods and services, to make the playing field more level for United States producers of products and services. And as we attempt to create or recreate that bipartisan coalition for the expansion of trade, we understand that one leg of that effort has got to be reauthorizing and strengthening not only TAA, but perhaps even going beyond the current universe of beneficiaries of a Trade Adjustment Assistance program and looking at enhancing the benefits of all workers who lose their jobs, not just because of trade but perhaps due to things that are more in the rubric of globalization but not specifically trade.

So I'm glad that we have this bill before the House today. I'm hopeful that we can reauthorize in some form this very important program before the end of this year. I regret that I cannot support the majority bill that's on the floor today. I think we have offered a reasonable substitute and I'm hopeful that the House will adopt our substitute, and then as the process moves through the Senate and to the President, we can perhaps refine that product some more and get a bipartisan agreement.

So with that, Mr. Speaker, I urge adoption of the substitute.

Mr. Speaker, I yield back the balance of my time.

Mr. MCDERMOTT. Mr. Speaker, I yield the remaining time that we have to the Speaker of the House, NANCY PELOSI.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding and for his important work on keeping America number one.

In recent years, the increasing global market has brought many opportunities but has also created unprecedented challenges as to how we address the increased economic insecurity faced by many of America's working families. For a long time, unfortunately, Mr. Speaker, trade policy has focused more on opening new markets and has dismissed the real consequences of those faced by those who lose their jobs as well as their communities across America that are hard hit.

Democrats recognize that our economic future rests with our ability to open new markets for U.S. goods, especially since our markets are already largely open to our trading partners. However, the status quo is not working, and we must do much more to help American workers compete and thrive in the increasingly competitive global market. That is the purpose of this important legislation before us, the trade adjustment assistance bill.

Mr. Speaker, being from Massachusetts, I'm sure you've read in the history books, for somebody of my age I recall, when President Kennedy called for the, called upon the American people with his challenge to put a man on the Moon and have him safely return within 10 years. It was very, very exciting. It was almost unbelievable, but it did happen. Why I mention it, though, is because in his remarks at that time, President Kennedy said, if we are to honor the vows of our Founders, we must be first, and therefore we intend to be first. For our science and industry, for peace and security, we must be first. And that's what this is about today, how America can continue to be number one.

We have worked together with that Innovation Agenda in that spirit; the Innovation Agenda, much of which has been passed overwhelmingly in a bipartisan way by the Congress and signed into law by President Bush. And it will help promote, will make serious and sustained investments in research and development, help promote the public-private partnerships that will develop

high-risk, high-reward ideas into marketable technologies and more jobs for American workers. In other words, we're saying, if we are going to compete successfully, we must innovate, and that innovation begins in the classroom.

So Democrats recognize in the global knowledge-based economy, America's greatest resource for innovation and economic growth resides within America's classrooms, and we have made a new commitment to encouraging students and encouraging highly qualified teachers in the field of math, science and engineering.

We've also made higher education more affordable and accessible. Again, in the strong bipartisan way voted by the House, we passed the College Cost Reduction and Access Act. That was signed into law by the President and has made the largest investment in college affordability since the GI Bill was passed in 1944, a bill that was referenced by our colleague, Mr. SESTAK, earlier.

We've also forged a new approach for free trade agreements where, for the first time, Democrats in Congress and Republicans, working with Mr. MCCRERY and Mr. RANGEL, the chairman, working with the administration, were able to forge a new approach. For the first time, enforceable basic labor rights and environmental standards will be included in free trade agreements negotiated by the Bush administration ensuring that our trading partners do not lure American jobs abroad through the use of weak labor laws and lax environmental standards.

Today's bill is the next step in our agenda to expand economic security. It's a departure from the status quo. The current trade adjustment assistance initiative does not do enough to help those who lose their jobs through no fault of their own.

Specifically, as has been mentioned before, the bill will dramatically expand the number of workers who will qualify for TAA benefits. This is very important. It will offer increased funding and options for workers' training so that individuals can pursue substantive training programs that lead to higher paying jobs. It will expand access to health care by strengthening and streamlining the health care tax credit and other health benefits so that workers are not forced to live without health care as they search for a new job. And it will revitalize communities decimated by manufacturing job loss with tax incentives. Those are some of the provisions of this important legislation.

This would represent a huge step forward. This would say to the American people and the American workers who have lost their jobs or are concerned about losing their jobs to trade that they are not alone.

The bill represents a renewed commitment to helping American workers who have lost their job through no fault of their own. Free and fair trade can only thrive if we help those who are facing the downside of a global economy.

In the coming months, Democrats will continue to lay out a positive agenda to ensure economic growth and economic security for America's families. We will continue to pursue a positive agenda to keep America number one. I urge our colleagues to oppose the substitute and to support the underlying legislation.

The SPEAKER pro tempore. Pursuant to House Resolution 781, the previous question is ordered on the bill, as amended, and on the further amendment by the gentleman from Louisiana (Mr. MCCRERY), as modified.

The question is on the amendment by the gentleman from Louisiana (Mr. MCCRERY), as modified.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. MCCRERY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 196, nays 226, not voting 10, as follows:

[Roll No. 1024]

YEAS—196

Aderholt
Akin
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boren
Boustany
Boyd (FL)
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Costa
Cramer
Crenshaw
Cuellar
Culberson
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Heller
Hensarling
Herger
Hill
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lampson
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Matheson
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller, Gary
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Stearns
Sullivan
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—226

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Clyburn
Cohen
Conyers
Cooper
Costello
Courtney
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Flake
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Hayes
Herseth Sandlin
Higgins
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tancredo
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—10

Alexander	Jindal	Wasserman Schultz
Carson	Paul	Weller
Cleaver	Schiff	Wilson (OH)
Cubin		

□ 1505

Mr. SCOTT of Georgia, Ms. LORETTA SANCHEZ of California, Ms. WATSON, Ms. KAPTUR and Messrs. STARK, STUPAK, MORAN of Kansas and RUSH changed their vote from ''yea'' to ''nay.''

Mr. TERRY and Mr. SAXTON changed their vote from ''nay'' to ''yea.''

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. POMEROY was allowed to speak out of order.)

IN MEMORY OF THE LATE PETER HOAGLAND

Mr. POMEROY. Mr. Speaker, I have sad news for the House today. Our former colleague and dear friend, Peter Hoagland of Nebraska passed away yesterday in the hospital in Bethesda.

Peter served three terms in the House. Being an at-large Member from North Dakota, as I arrived, I looked to this distinguished gentleman from Omaha to be not just a friend but also a mentor.

During my years in this body, I have never served with anyone who enjoyed service in this Chamber more than Peter Hoagland. And yet, he would lay his tenure right on the line to stand for what he believed in and cast his votes in a way that were an example in high principle.

Peter will be deeply missed by his family; his wife, Barbara Hoagland; five children, Elizabeth, Katherine, Christopher, David and Nick; as well as the countless friends he leaves behind. Our thoughts and prayers are with them at this difficult time.

And I have, for any Member requesting, the information in terms of how to contact the family during this hour of bereavement.

I want to yield a moment to Congressman LEE TERRY, who now represents the seat previously held by Congressman Hoagland. And at the conclusion of Congressman TERRY, if we might rise in a moment of silence.

Mr. TERRY. Mr. Speaker, on behalf of all of my colleagues here and the constituents of the Second Congressional District, our prayers go out to Barbara, his wife, and their five children.

Peter passed away yesterday. He was a mere 66 years old. Many of you know that served with him that he developed Parkinson's the last few years, and it slowly had worsened. But as is typical with Pete, instead of feeling sorry, he went out and became an advocate for those with Parkinson's disease, frequently coming to our office to talk about his advocacy and also about local politics back home.

Pete first ran for the State legislature in Nebraska in 1978, where he became known as this idealistic, principled, yet liberal Member from midtown Omaha, which was surprising because he grew up in a family of pretty hard-core, conservative Republicans.

But I got to know Pete. In fact, Pete even offered me a clerkship in his law office in 1986, and we became fast and good friends.

He then ran for Congress in 1988 where, with the utmost dedication, he represented the people of the Second District of Nebraska, carrying on that principled, idealistic nature that he brought to the Nebraska State legislature.

So on behalf of people of the State of Nebraska and the Second Congressional District, I'll say that we will miss our friend, Pete Hoagland.

At this time, I'd like to yield to my friend from New York.

Mr. ENGEL. I thank my friend from Nebraska, and I too want to rise to pay tribute to my classmate in 1988, Peter Hoagland. Peter and I were best friends, socialized with our wives and our kids many, many times. He was truly a gentleman. Both our colleagues from North Dakota and from Nebraska really epitomized what Peter meant to all of us. His wife, Barbara, and the five children, a wonderful family.

And let me just say that Peter was in public life for all the right reasons. He cared so much about this country. He cared so much about public policy. He cared so much about people.

In all the time I was with Peter, I was with him a lot, I never once heard him utter a negative word about anybody. He really truly respected this institution. He loved our country, and he respected each and every Member in this House, on both sides of the aisle.

It came as quite a shock to me when I found out about his passing, although I had known that he had been ill for a while. Sixty-six is awfully young, too young, when you have such a good person with such a great, keen intellect and a wonderful person.

So I just want to say on behalf of myself, my wife Pat, my family, and our class of 1988, we were 18 Democrats and 15 Republicans that year, we're all going to miss Peter very, very much, and may he rest in peace.

Mr. HOYER. Will my friend yield?

Mr. TERRY. I yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman for yielding. I know that Mr. TERRY has spoken for all of us, and Mr. ENGEL, Mr. POMEROY.

For those of us who had the opportunity to serve for an extended period of time with Peter Hoagland, for those of us who knew Peter after he left the Congress of the United States, this is a sad day. It is an appropriate day, however, to remember, as Mr. ENGEL said, a gentleman who had nothing bad to say about any of our Members on either side of the aisle; a Member who was positive in his approach; a Member who was gracious to all; a Member who cared deeply about his country, about his State, and about his service in this institution.

Peter Hoagland was a good and decent man who served his country well, and will be sorely missed by us all.

Mr. POMEROY. At this time, then, Mr. Speaker I'd ask that we might have a moment of silence.

The SPEAKER pro tempore (Mr. LYNCH). A moment of silence has been requested. Will all Members rise.

(By unanimous consent, Mr. SHAYS was allowed to speak out of order.)

IN MEMORY OF THE LATE THOMAS MESKILL

Mr. SHAYS. Mr. Speaker, I rise to eventually ask for a moment of silence for a Member of this Chamber who has passed away; that's Thomas Meskill. He was in the U.S. Air Force and in Korea for 3 years. He was the former mayor of New Britain, Connecticut. He was a Member of Congress for two terms in the Sixth District. He was Governor of the State of Connecticut, and he was judge of the U.S. Court of Appeals, Second Circuit. He was, for a period of time, the chief judge. He was clearly a distinguished member of Connecticut, a very respected elected official, but was most respected for his service as a judge in the Court of Appeals for 30 years.

Before asking for a moment of silence, I would like to yield to Mr. LARSON, who wanted to make sure that this House recognized this distinguished gentleman.

Mr. LARSON of Connecticut. Mr. Speaker, I thank Representative SHAYS for yielding.

This is a very difficult time for the Meskill family, whose husband, father, grandfather served as Governor of the State of Connecticut, was a judge in the Second Circuit, chief judge from 1991 through 1992. He served in this body with distinction. He was the former mayor of New Britain, Connecticut.

□ 1515

I had the opportunity to work with Governor Meskill, Congressman Meskill, and our hearts and thoughts and prayers go out to Mary, his lovely wife; and his entire family.

With that, I would like to yield to the current Congressman from that district, CHRIS MURPHY.

Mr. MURPHY of Connecticut. I thank the gentleman for yielding and I thank Mr. SHAYS for bringing this before the House.

As the Member of Congress who now has the honor of serving New Britain, Connecticut, I can tell you, as someone who didn't know Governor Meskill and Congressman Meskill personally, that he loved the City of New Britain and the City of New Britain loved him back. He earned the nickname of ''Tough Tommy'' during his time in the Governor's mansion when he turned a very large deficit into a very large surplus in a short amount of time. As you have heard, there was hardly an office in Connecticut in any of the branches that Governor Meskill did not hold.

New Britain is better off for having him. It bears his stamp. We all stand today to mourn his loss and send our condolences to the family.

Mr. SHAYS. Mr. Speaker, as we rise in silence, if we could remember his wife, Mary; his two daughters, Maureen and Eileen; his three sons, John, Peter, and Thomas; and his seven grandchildren.

The SPEAKER pro tempore (Mr. LYNCH). Members will rise and the House will observe a moment of silence.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCDERMOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 264, nays 157, not voting 11, as follows:

[Roll No. 1025]

YEAS—264

Abercrombie
Ackerman
Aderholt
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Camp (MI)
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fossella
Frank (MA)
Gerlach
Giffords
Gillibrand
Gonzalez
Goode
Gordon
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Hayes
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hunter
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
King (NY)
Klein (FL)
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McCotter
McDermott
McGovern
McHenry
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Petri
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Reynolds
Richardson
Rodriguez
Rogers (MI)
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shays
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Souder
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walsh (NY)
Walz (MN)
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NAYS—157

Akin
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Campbell (CA)
Cannon
Cantor
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Emerson
Everett
Fallin
Feeney
Flake
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gilchrest
Gingrey
Gohmert
Goodlatte
Granger
Hall (TX)
Hastert
Hastings (WA)
Heller
Herger
Hobson
Hulshof
Inglis (SC)
Issa
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
Kingston
Kirk
Kline (MN)
Lamborn
Lampson
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Mack
Marchant
McCarthy (CA)
McCaul (TX)
McCrery
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller, Gary
Mitchell
Moran (KS)
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Rogers (AL)
Rogers (KY)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Sali
Schmidt
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Simpson
Smith (NE)
Smith (TX)
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Walden (OR)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—11

Alexander
Carson
Cubin
Hensarling
Jindal
Paul
Ryan (WI)
Schiff
Wasserman Schultz
Weller
Wilson (OH)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining on this vote.

□ 1534

Mr. ROGERS of Alabama changed his vote from ''yea'' to ''nay.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MOTION TO GO TO CONFERENCE ON H.R. 3043, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2008

Mr. OBEY. Madam Speaker, pursuant to clause 1 of rule XXII and by direction of the Committee on Appropriations, I move to take from the Speaker's table the bill (H.R. 3043) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, and for other purposes, with the Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mrs. TAUSCHER). The gentleman from Wisconsin is recognized for 1 hour.

Mr. OBEY. Madam Speaker, I yield 30 minutes to the gentleman from California (Mr. LEWIS) for the purpose of debate only. And I yield myself 30 seconds.

Madam Speaker, the motion is self-explanatory. This will enable us to go to conference with the other body on the Labor, Health and Human Services and Education bill and begin the process by which we can deal with the conference reports on the seven bills so far completed action by the Senate.

Madam Speaker, I reserve the balance of my time.

Mr. LEWIS of California. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today to discuss what appears to be one of the most highly unusual decisions made by the leadership of the House by way of combining the Labor, Health and Human Services bill with Military Construction, VA, and all those programs that relate to veterans, and the DOD bills into one package to be sent to the President.

It is my understanding that included in this package may be disaster funding relief that could affect wildfires in the West. There may be other popular items that the majority may attempt to air-drop into conference. In theory, the bill itself is supposed to focus upon health care for our citizens across the country, labor programs and education programs, not defense, not veterans programming or other related programs. This package would exclude any DOD bridged supplemental funding for our troops.

Last year, a bipartisan group of Members demanded that the administration send a full-year supplemental

request for activities related to the global war on terror. Now that the administration has provided the full-year request, the House and Senate leadership have refused to provide this critical funding for our troops who are serving in harm's way.

Additionally, instead of moving the Labor-HHS bill, the DOD bill and the MilCon-VA bills through the process by regular order and holding separate conferences, this omnibus package would be carried as part of the Labor-HHS bill.

Frankly, as I talk to my colleagues who know the appropriations process around this place pretty well, they can't quite believe why we're doing this. For each of these bills passed the House separately and individually, they've got programs that are highly supported. There is little doubt that regular order would work if the leadership would allow it to work.

Let me be clear on this. The President has already indicated that he will sign a freestanding MilCon bill, and he will sign a freestanding Defense bill. Especially it's important to note that the MilCon bill includes funding for veterans as well, with a commitment for his signature. By not moving these bills individually, the majority is using our veterans as well as our troops essentially as political pawns.

Yesterday, I had a conversation with the President's Chief of Staff, Josh Bolten. He clearly indicated that if this package makes its way to the White House, it will be vetoed by the President in this form. Apparently the President delivered a similar message to our Members and the press at the White House yesterday morning.

Personally, I think it's outrageous that the majority is proceeding in this way with funding for our troops and our veterans simply to try to push through a 10-plus billion dollar increase in the Labor and Health and Human Services programs. To me, this is nothing more than essentially, at least some would describe it as political blackmail, as well as a poke in the eye to our troops, our veterans, our Members, as well as our President.

To the Democrat majority who conceived this misbegotten, ill-conceived legislative strategy, let me say this: You are not only making a mockery of the legislative process, you are intentionally undermining a strong bipartisan desire to fund our troops, provide medical care for those troops, as well as provide funding for our veterans. This approach is kind of like the SCHIP package on steroids. And I believe that it, too, will fail.

I do not intend to sign the conference report or vote for it when it reaches the floor. I will also be supporting the President's veto, should he decide to veto this package. Clearly, this is in excess, and it's a fundamental violation of what I think should be the tradition of the appropriations process.

Madam Speaker, I reserve the balance of my time.

Mr. OBEY. Madam Speaker, I yield myself 8 minutes.

Madam Speaker, the gentleman is a good friend of mine. And I don't mind his pulling my leg, but from way over there, it's a little bit of a stretch.

Let me simply recite a few facts. If we take a look at the past history to see how these bills have been handled in the past, the gentleman talks about having a separate military construction bill. The fact is, over the last 5 years, when our Republican friends controlled this House, on three occasions they tied the military construction bill to other bills. And on one occasion, they never managed to pass a military construction bill at all. Only once in the past 5 years did they pass a freestanding military construction bill. So, I will stack our record against theirs any time.

There is another substantial difference between us on that score. In the 2007 budget and in the bill before the Congress now, we've added $7 billion in additional funding for veterans health care, money which the administration itself opposed. So, I make no apology for what we have done on that score.

Let me also point out the gentleman is objecting to the possibility that we will combine the labor, health, education bill, the defense bill and the military construction bill into one piece. If we do that, that would mean that 90 percent of the dollars in the bill would be security related. The President has asked us to send him a defense bill and to send him a military construction bill. That is exactly what we would be doing. In addition to that, we would be sending the largest domestic bill, so that together we would be sending, in essence, 71 percent of the appropriation part of the budget down to the White House. I make no apology for that.

I would also point out that, while the gentleman has a newfound objection to omnibus appropriation bills, during the 12 years in which the Republicans controlled this body, 56 times they sent omnibus appropriation bills to the President for his signature.

□ 1545

During the Bush administration, they sent omnibus appropriation bills to the President 27 times. The President had no objection whatsoever when they came from a Republican Congress. I find it interesting that he now professes objection because we are doing what his Republican Party did in spades for so long.

In fact, last year, the other side, when they controlled this House, they avoided sending an omnibus appropriation bill to the President because on the domestic side of the ledger, they didn't bother to send him any at all. So we had to spend the first 6 weeks when we were in control of this body cleaning up last year's Republican business.

I would also point out, lest we take lectures from the administration and OMB, Mr. Nussle, who is the President's new budget director, he was chairman of the Budget Committee for 6 years. Since 1976 when the Budget Act was passed, Congress failed to pass a budget resolution four times. Three of those four times occurred when Mr. Nussle was chairman of the committee. So I don't think I am going to take any lectures about the newfound interest of the new budget director in having timely consideration of any matter related to the budget.

I would also point out that during Mr. Nussle's tenure of 6 years, the Republican Congress passed three omnibus appropriations and one omnibus CR. So it seems to me that this is a debate about, if not nothing, at least very little. I would simply say that what we ought to be looking at is not what kind of a ribbon we have on the package, but we ought to be taking a look at the contents of the package. And I make no apology whatsoever about the contents of this package.

Now, if we take a look at the President's statement, his veto pronouncement yesterday, he says that the Congress has wasted time voting on efforts to change direction in Iraq. I would suggest that the President has wasted 5 years of the country's influence by the way he has handled Iraq in the first place. The President objects to the fact that in all of the domestic appropriation bills, we are some $20 billion above his budget suggestion, about 2 percent. That 2 percent difference is the difference between having a President and having a King. And I would point out, he wants to spend 10 times that much money in Iraq in just 1 year.

The President says that Congress has gone it alone on SCHIP. I would suggest the President has gone it alone in Iraq. He has gone it alone without our allies. He is going it alone now without the support of the American people. So I would be careful, if I were the President, referring to someone ''going alone'' on anything.

I would also point out that the President says the Labor-H bill is bloated. Well, as a practical matter, if we were to pass the President's budget, we would be cutting vocational education by 50 percent. We would be accepting the idea that we ought to cut the National Institutes of Health grants by 1,100 grants over the past 2 years. We would be accepting the fact that we ought to allow No Child Left Behind to become a hollow shell in terms of financing. The President is, in fact, objecting to our increase for special education, an item which the Republican Party in this House took the lead on in putting in the bill in the first place.

So it seems to me the President, his priorities are not supported by the country. So he is falling back on a process argument. I don't think anybody is going to be especially impressed.

With that, I reserve the balance of my time.

Mr. LEWIS of California. Madam Speaker, I just might mention that

during the time that the chairman and I have worked together in the Appropriations Committee, we have talked many a time about process where we both happen to think it is very important. But the fact is that all three of these bills, the Defense bill, the MILCON and veterans bill, indeed, Labor-HHS, all passed this House separately. We could carry these bills in regular order. It is frankly a sham to suggest that it is a requirement to bring these packages together.

Mr. OBEY. Would the gentleman yield if I yield him a minute of my time? I ask unanimous consent to give the gentleman a minute of my time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LEWIS of California. I yield to the gentleman from Wisconsin.

Mr. OBEY. I would simply ask the gentleman, with the exception of last year when you were chairman, or last term when you were chairman, where were your speeches when your party brought those 56 omnibus appropriation bills to the floor? Where were your objections then?

Mr. LEWIS of California. Mr. OBEY, I know that you speak on the floor a lot more than I do, and I appreciate the talent with which you do it. But in the meantime, we are talking about regular order, trying to change the appropriations process so it makes sense, not destroy our committee. I would suggest we are on a pathway to destroy this committee.

Mr. OBEY. Are you saying that it didn't make sense when your party did what we are doing today 56 times? Is that what you are saying?

Mr. LEWIS of California. What I am suggesting, Mr. OBEY, is that there are, in this place even, there are people who sometimes use data and statistics for their purposes versus other purposes. This is our committee and I would hope we would run it in regular order.

Mr. OBEY. I find the gentleman's conversion interesting.

Mr. LEWIS of California. Madam Speaker, I yield 4 minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. I thank the gentleman for yielding, and I certainly don't intend to lecture my good friend from Wisconsin on this process. He works hard. Between him and Mr. LEWIS, they probably have forgotten more and have also understood more about this process maybe than any other two Members that have ever served. But the fact is when Congressman LEWIS was the chairman, we actually took veterans out of the appropriations bill they had been in for years because we thought they had been used in a way that was not appropriate.

We took veterans out of VA-HUD and made it part of Veterans and Military Quality of Life for the specific reason that we didn't want to see that process that had gone on for too long continue. In 2005, the first year we did that, Chairman LEWIS and his committee brought that bill and every other bill to the floor one bill at a time. In fact, this is the first time since 1987, 20 years ago, that we have been in this part of October without a single appropriations bill having passed the House floor.

Clearly, if we were voting to go to conference on Labor, Health and Human Services, the motion before us, I would have some enthusiasm for getting at least one conference started. I would also be arguing that the conference we should be going on would be the ones for the bills that have been over here the longest, and one of those two bills following Homeland was, I think we call it now Military Construction and Veterans. But it is still a military quality of life bill. It still affects military families. It still affects retirees. It still affects veterans. And it is a bill that not only the President has said he would sign but this House passed 138 days ago. The Senate passed it almost 2 months ago and named their conferees 2 months ago.

This is a bill that does have increases for veterans. Every bill in the 10 years I have been here has had significant increases for veterans, none more so than this, to the point that the increases for veterans and military families and military construction in this bill, about $18.5 million a day, so if today we just multiplied that by 31, that is how much money hasn't been spent in the last month on military families, on military retirees, on military veterans, on people serving that would have been affected by military construction. It's high time we went to conference on that bill.

But what we don't want to start here is a process where we take our veterans and our military families and our retirees and we use them as a vehicle to have another political debate. As I understand, all I know is what I hear on the floor and read in the paper on this, that the plan is to take three bills, two of which almost every Member of this Congress voted for, add to them a bill that was as divisive in floor debate as any bill we debated, and have this three-car pile-on or this three-car pileup, this three-bill pileup that I think sets an unfortunate precedent for how we use veterans and military families.

I wish we were going to conference on a number of bills today, and I wish we were committed to do these bills in the way that both the chairman and the ranking member have argued effectively over years now that we should be doing these bills.

Mr. OBEY. I yield myself 1 minute.

The gentleman says that he finds this a precedent. I repeat, we are doing with Military Construction what the Republicans did in 4 of the last 5 years, considering Military Construction in association with other bills. I do welcome, however, the newfound expression of support for veterans by the now minority party. Over the last 2 years, we had to drag them kicking and screaming into voting for higher funding for budgets for veterans' health care than their own President wanted. In fact, when their committee chairman agreed with us 2 years ago that we needed to add a billion dollars to veterans' health care, they responded by removing that committee chairman from the committee because he wasn't following the party line.

I don't think veterans will have much trouble determining who has been on their side the last 5 years and who hasn't.

With that, I yield 3 minutes to the gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. I thank the distinguished chairman of the Appropriations Committee.

Madam Speaker, this bill does, in fact, combine various other appropriations measures. But those measures in their totality clearly reflect the top priorities of the American people. In fact, every one of those bills separately passed with significant Republican support by significant bipartisan majorities in this House.

The reason that this bill in its totality makes sense and should, with all due respect, attract the support of my friends from the other side of the aisle is because it does, in fact, fund the global war on terror. It funds our defense. It funds military construction. But it also funds America's other priorities. It funds our troops but it also takes care of our veterans, the largest increase in veterans health care in the 77-year history of the VA. It funds our defense with a robust military. But it also funds the war on cancer with increased investments in the NCI and the NIH.

□ 1600

It funds our military so that we can achieve global stability, but it also gives working families and middle-class taxpayers a little bit of a break, actually, more than a little bit of a break, a significant break on their college expenses so that our kids can compete in a globally competitive environment.

I would conclude, Madam Speaker, by suggesting that the differences between where the administration is and where we are should not be minimized. They are significant. As the chairman said, this administration is arguing over a $22 billion increased investment with one hand, and, on the other hand, telling the American people they have to come up with another $200 billion for Iraq. We are spending $12 billion a month in Iraq. The difference between where the administration is and where we are on these other priorities is 2 months in Iraq.

We want $880 million in increased investment for LIHEAP so that senior citizens don't have to shiver in the cold because their heating costs are too high. That is 2½ days in Iraq, that $880 million. If we want to invest $1 billion in medical research for people with

cancer, with Alzheimer's, with Parkinson's, that's 3 days in Iraq.

Our $1 billion investment covers an entire year. The administration's strategy covers 3 days in Iraq. We want $1.4 billion for the entire year for improved health care access. With this administration, the equivalent cost is 4 days in Iraq. We want $1.8 billion in increased investments to keep American streets safe with additional law enforcement and additional police. The administration says we can't afford to keep America's streets safe but is willing to spend an equivalent amount over 5 days in Iraq.

Madam Speaker, this bill reflects the priorities of the American people. Separately, the components passed with overwhelming Republican support. This should be a bipartisan effort. It should be a bipartisan effort because, number one, it supports our troops, provides for robust defense, and takes care of our priorities here at home as well.

Mr. LEWIS of California. Madam Speaker, I yield 1 minute to the Republican leader of the House, the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Madam Speaker, let me thank my colleague from California for yielding.

Let me say that my colleague from California, the former chairman of the committee, and the current chairman of the committee, Mr. OBEY from Wisconsin, are two Members who spent their entire careers working through this appropriation process. They deserve the thanks and respect of all the Members.

The motion here to go to conference is not about the Labor, Health and Human Services bill. That is not the issue. The issue isn't whether we have omnibus bills. We have had omnibus bills long before I got here and they will be going on long after I have been here. The issue here is the fact that the plan is to move this bill to the Senate to get a conference report, to package the Labor, Health and Human Services bill with the Defense appropriation bill and the Military Quality of Life bill.

Why is this happening? Because our friends in the majority want to continue to play political games here in Washington, DC. We went through political games last week with the SCHIP vote, a bill that there was some attempt to work with us, but not really. No changes were made. We are going through the same process of having this bill vetoed again. Why? Because the majority refused to reach out and work with us in a bipartisan manner to resolve the few differences, the few differences we had in the SCHIP bill. But here we go again. Here we go again.

Madam Speaker, the majority knows and the President has made clear that he will veto this bill. To pass a bloated Labor, Health and Human Services bill on the backs of our troops and our veterans is not the right thing to do. It's a political trick. You're daring the President to veto this bill. Well, guess what? You know and I know that the President is going to veto this bill. Yet, here we go, playing political games once again.

As I said last week, I said last month, and probably the month before that, the American people are tired of all the political games. They want us to find some way to resolve our differences and to deal with the issues that they care about. There are a lot of important issues in the Labor, Health and Human Services bill that are very important to our country. There's a lot of important issues in the Defense appropriation bill. They help fund our troops and give them the tools that they need. Certainly, when it comes to the Military Construction Quality of Life bill, taking care of our veterans is very important. But you know and I know that this is not more than a political trick.

Let me tell you what; it makes me sick, makes me sick to watch this process continue, playing political games, and nothing gets done. Congress is at the lowest approval rating in history, and what is going on? We are continuing to play political games. That is why the American people are sick of this process, and it ought to stop.

Mr. OBEY. Madam Speaker, I yield myself 4 minutes.

Madam Speaker, there was an old comedian who used to say: When somebody says it's not about the money, it's about the money. When the gentleman says it isn't about the Labor, Health and Education bill, it's about the Labor, Health and Education bill.

The gentleman objects to the fact that we are doing what has been done in this institution for many years. We are taking the bills that are finished in both Houses at this time and we are trying to get them to the President in the fastest possible way. And the way to do that is to send them down together.

Now, the President wants to cherry-pick. He wants to pick and choose. He said you have got to send me 11 separate bills. He didn't send us 11 separate bills. The President sends us one omnibus budget. He put all the departments together in one document and sent them down to us. We are sending him back whatever proposals we can put together in the fastest possible time.

Madam Speaker, he says that the Labor-Health bill is bloated. Well, let me compare it to the President's budget. The President says that he is the ''great decider'' and that he is going to decide how much money is going to be in this bill and we have got to live within that limit or else he's going to veto anything else we send him. If we live under the President's budget, we would cut vocational education by 50 percent. Anybody think that is a good idea? If we live under the President's budget, we would eliminate all student aid but Work-Study and Pell Grants. Anybody here really believe that is a good idea?

In all my years in Congress, I never heard anybody say: OBEY, why don't you guys get together and cut cancer research. Yet, that is what this previous Republican Congress and the President have done the last 2 years; they have cut 1,100 grants out of the National Institutes of Health, medical research grants. If you want to live under the President's budget on law enforcement, we would cut what the committee has in its bill by one-third. The President wants us to cut handicapped kids' education by $300 million. Mr. WALSH, the ranking Republican member of the Labor-Health Subcommittee, led the objection to that, and in fact persuaded the committee to put a higher number in the bill than I had put in in the chairman's mark; yet the President says we ought to follow his budget for Labor-Health. If we do, we will cut rural health by 54 percent.

He also wants us down the line to cut the Clean Water Revolving Fund by 37 percent. He wants us to cut disabled housing assistance by 47 percent. He has ordered his Secretary of Veterans Affairs to send us a letter indicating that they don't want the $4 billion that we have added to veterans health care.

So you don't think this is about priorities? You bet you, it's about priorities. I submit to you, the teachers of this country, the school kids of this country, the parents of this country, and the veterans aren't going to be fooled. Veterans aren't going to be very thrilled if you take care of their needs so long as they are in Iraq, but the minute they get home you forget the help their kid's need to get an education, you forget the help their wife's needs or husband's needs if they run into medical problems.

Veterans are whole people, just like everybody else. This Congress has an obligation to meet all of their needs, not just their needs so long as they are wearing the uniform and then forget them once they take it off. That is not the American way. It shouldn't be the Congress's way. That is why we are proceeding as we are proceeding.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair reminds all Members to address their remarks to the Chair.

Mr. LEWIS of California. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I am going to be calling upon my colleague, who is the ranking member of the MilCon-VA bill in just a second. But I wanted to mention it is very interesting to see my colleague, the chairman, to use statistics and data for his own purposes.

We have, over the last 12 years, had nine omnibus appropriations bills, and where those bills were put together in packages, I objected to that procedure all along the line. But, as a matter of fact, as a matter of fact, negotiations had taken place on the part of both sides of the aisle, and the President signed those bills. He didn't suggest he would be vetoing those bills.

Data can be used for one's purpose, but we ought to be accurate and recognize that facts are facts.

Madam Speaker, it is my pleasure to yield 4 minutes to the gentleman from Mississippi (Mr. WICKER), the ranking member of the MilCon-VA bill.

Mr. WICKER. Madam Speaker, this really is an unprecedented move. We were originally told that it would be scheduled for first thing this morning. Then it was rescheduled for early this afternoon. And once again, the matter was so controversial that it had to be pulled again and we find ourselves discussing it now at this moment.

I frankly wish my friend from Wisconsin would pull the motion again, because there is only one way to understand this process. This is, as the Republican leader said, a political stunt. If it is allowed to proceed, the result will be predictable. The President will veto the product of this conference committee, because it will attempt to spend billions and billions of new dollars on domestic programs we cannot afford, just when a balanced budget is within sight again. The President will veto the bill, the President's veto will be sustained, and we will be back to the drawing board.

While all of this is unfolding, much-needed funds for our veterans clinics and for our servicemembers and their families will be delayed, not to mention essential funding for our Nation's defense in the global war on terror, for our troops in combat in Afghanistan and Iraq who are risking their lives for our country even as we speak. These key national security expenditures will have to wait even longer than they have already waited.

The other result of this process will be just as predictable. Some people in this town, in this very House, will have gotten what they wanted: more political theater, more attempts to link good policy with excessive spending in an attempt to score political points.

Madam Speaker, does the Democratic leadership of this Congress want to pass appropriation bills or do they just want to make new campaign commercials?

Four and one-half months ago the House of Representatives passed the Military Construction-VA bill with an overwhelming 409 votes. The Senate passed its version of MilCon-VA with only one dissenting vote on September 6, 8 weeks ago. The President has expressed his willingness to sign the bill. Mr. EDWARDS and I, along with our subcommittee, have stood ready to go to conference for almost 2 months. Why, other than politics, have these funds for military quality of life and for our Nation's veterans been delayed?

Mr. EDWARDS and I, as chairman and ranking member, have worked along with our Senate counterparts and our staffs to craft a compromise between the two versions of MilCon-VA. Only a few outstanding issues remain. We are ready to go with this essential bill. The same is true for the Defense appropriations bill.

That means we could have bills on the President's desk within a matter of days. Funds for vital infrastructure for our troops, child development centers and veterans programs could be in the pipeline within a matter of days. Do we really want to hold our present and former troops hostage for political games?

So I urge my friends on the other side the aisle to reconsider this unprecedented maneuver. Send the bills by regular order according to the established rules. Let's get the funds to our troops without further delay.

Mr. OBEY. Madam Speaker, I reserve the balance of my time.

Mr. LEWIS of California. Madam Speaker, it is my pleasure to yield 3 minutes to the ranking member of the Armed Services Committee, the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Madam Speaker, I want to thank my friend for yielding.

Madam Speaker, I think this is a sad day for our country, because we put into place several years ago what we called a bridge fund. I call it the ammo, the armor, the equipment fund. That was a fund that we added to the Defense bill to carry our troops over during the winter months before that spring supplemental, before that extra funding came about in the springtime of the next year.

That is important for them, and that gave them a certain confidence level that they were going to be funded without having to take money out of the cash register for the next year, have to delay training exercises, have to delay the equipping of forces back here in the United States.

And you know something? We had a bill that was ready to go here. The Defense appropriations bill is something that clearly would sail through, the President would sign it, and there was no risk in this bill that would fund our operations and our warfighting in Iraq and Afghanistan.

The Democrat leadership now has injected risk, because you have hooked it up with a bill that the President said he is going to veto. That injects risk into this very, very difficult operation.

So what do we have with our soldiers, our sailors, our airmen, our marines in Afghanistan and Iraq? We have got the uncertainties of war, the dangers of war. We have got the uncertainties that attend their families back here in the United States. And now the Democrat leadership has injected another uncertainty, an uncertainty that they will be funded fully in these difficult months.

□ 1615

So you took away this bridge fund, what I call the ammo, the armor, the equipment fund, and the answer you have given us is, well, if the President caves, then the troops will get the money. Holding our troops, our forces, hostage during a time of war is something that this body has never done.

I would hope that the Democrat leadership would make an about-face on this. I would hope you would adopt the great position of Democrat Senator Henry ''Scoop'' Jackson, who said, ''In time of war, the best politics is no politics.''

Mr. OBEY. Madam Speaker, I yield myself 1 minute.

I yield myself the time simply to respond to something said by the gentleman from Mississippi (Mr. WICKER). Mr. WICKER implied that the delay that took place in bringing this to the floor today was because of supposedly some turmoil about how this bill was packaged.

In fact, as the gentleman from New York (Mr. WALSH) will tell you, the reason for the delay is because I spent all day defending two Republican amendments to this bill that the Senate wanted to reject. And until I got agreement to quit horsing around with those amendments, I refused to bring this bill to the floor.

And now I yield 3 minutes to the distinguished gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. It really is disingenuous when I listen to my colleague from California talk about ammo, armor and equipment from the folks who brought our young men and women into a battle without appropriate ammo, without armor, and without the appropriate equipment that they needed to be able to fight this war from the outset. In fact, it has been the Democratic majority over and over and over again who have increased that funding for our troops in the field.

Let me also say to our distinguished minority leader, and you should not be fooled by the commentary, this issue is about the Labor, Health, Education and Human Services bill. And the folks who are playing games are the minority and the Republicans on that side of the aisle.

This is bill where we know that we will increase funding for veterans health care, offer pay raises for active duty soldiers, provide additional support for military families. Let me just tell you what this President wants to veto: the investment in lifesaving medical research, the investment in increased education funding, and he would like to veto our being able to strengthen job training in this Nation.

Two or three examples, my friends. The President's budget cuts funding for medical research at the National Institutes of Health. He would cut that by $480 million. That is 800 fewer research grants than last year to study deadly diseases like cancer, Alzheimer's, leukemia, Parkinson's, heart disease. We rejected that on our side of the aisle. We invest $1 billion above the President's request or roughly the cost of three days in Iraq. That's what the President wants to veto.

Let's take a look at the Centers for Disease Control. When the chairwoman testified before the committee, she said we face as a nation the issue of the daily health challenges: 4 million seniors living with Alzheimer's, 583 women diagnosed with breast cancer every single day, and 176,000 teens who will

struggle their entire lives with diabetes. And so if we fail to pass the Labor-HHS appropriation conference report, we cut that CDC budget by $475 million. The President wants to veto that $475 million for those efforts.

Let's take a look at what he said last month, that is the President: ''Don't go backwards when it comes to educational excellence. We have come too far to turn back.'' Yet he will recall millions in Perkins loans funds and cut the special education program by $291 million. Going backwards is exactly what he is proposing to do.

We invest $5.9 billion in education, the cost of just 18 days in Iraq. What will we do with it? We will benefit 8.5 million students to prepare our Nation for the 21st century economy.

Let's talk about the President last week. An additional $42 billion from Congress for the wars in Iraq and Afghanistan that will in the next decade cost $2.4 trillion, or $8,000 per man, woman and child. Let's fight for people, not dollars, and the people of this Nation understand that.

Mr. LEWIS of California. Madam Speaker, it is my pleasure to yield 2 minutes to the ranking member of the Veterans Committee, STEVE BUYER.

Mr. BUYER. I have come to the floor because what is clear is there are no disagreements with regard to the VA-Milcon appropriations bill. There is no disagreement between the House, the Senate or the White House, which means that weeks ago we should have appointed conferees and we should have voted on this bill if in fact our priority, in a bipartisan way, is clearly that of the troops.

So I come to the well really bothered here today. The word ''gamesmanship'' has been used. The word ''partisanship'' has been used. When it comes to funding our troops, those words should never be used. A few years ago, almost 2½ years ago, I met with Republican leadership and I wanted to get politics out of the military health delivery system and the VA. That is when I said get HUD out of VA and let's combine this. So what we have done by doing VA and MilCon, we do this so the authorizers and the appropriators can work together on the seamless transition issues so we get politics out of the arena.

And now to take this bill to which there are no disagreements and to attach it to a vehicle where there are disagreements, the gentleman from California (Mr. HUNTER) is absolutely correct, it places the bill at risk.

The last speaker talked about HHS. I am here to talk about funding veterans and our troops and the dependents and their families. We shouldn't be playing these games with the White House if our priorities are truly with America's most precious assets, and that is the men and women who wear the uniform, and to care for those who keep the watch fires burning and their children. So let's don't play these games.

I have to agree with JOHN BOEHNER. There is a reason the American people look at Congress with a 14 percent approval rating. It is because of these types of games.

We are better than this. We are better than this. So let's come together like we passed this bill 138 days ago and keep our bipartisanship and send this bill to the President.

Mr. OBEY. May I inquire how much time is remaining on both sides.

The SPEAKER pro tempore. The gentleman from Wisconsin has 9 minutes remaining. The gentleman from California has 11½ minutes.

Mr. OBEY. Madam Speaker, I yield 3½ minutes to the gentleman from Ohio (Mr. RYAN).

Mr. RYAN of Ohio. I thank the gentleman and appreciate the opportunity to make a few remarks here.

Madam Speaker, a lot has been said here. The minority leader came down and said this makes him sick. Another speaker came down and said we are somehow holding the troops hostage. Another Member comes down and says this is a sad day. You know, I think all that rhetoric may be nice, but what we are trying to do here is run the government. As has been stated several times, when the Republicans were in charge, they put bills together and got them passed. And now all of a sudden to take a stand here like this has never happened is, I think, a tad bit disingenuous.

But we have to ask ourselves now that everyone is bringing the troops in here: What are the troops fighting for? They are not fighting for a Defense bill. They are not fighting for a VA bill. They are fighting for our country. And what is our country? Our country is a country that makes investments in its own people. They are fighting for America because it's a great place to live. It's a great place to get educated. It's a great place to get health care. And for us to say somehow they are just fighting for only a portion of our society, I think is a bit disingenuous, too. I bet if we talked to some of the troops and we asked them what it means to be an American, they would say it means to be free and to be able to achieve the American Dream. And you achieve the American Dream by being healthy, by being educated, by having access to this great country. That is what we are trying to do here.

We have a great bill. This Labor-HHS bill is great. It is called the people's bill. Just like the VA bill is the people's bill. This all goes together. This is one cohesive investment that we need to make in our country; and we are asking the Republicans, Madam Speaker, to join us.

You can't hide behind the President. Article I, section 1 creates this body. We are the ones who fund the government. If the President wants to veto this, help us override the veto.

These are all good bills. And when those veterans get home, as Mr. OBEY stated, they need the same exact kind of attention and their families need the same exact kind of attention that every other citizen gets. They want high quality, low-cost education. They want high quality, low cost health care, and they want an opportunity for their kids to live the American Dream. Is that too much to ask? That's the question: Is that too much to ask?

Mr. LEWIS of California. Madam Speaker, it is my pleasure to yield 3 minutes to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), a member of the committee.

Ms. GINNY BROWN-WAITE of Florida. Madam Speaker, I rise today to speak on behalf of our Nation's veterans, more than 100,000 of whom live in my congressional district.

Madam Speaker, 138 days ago, 4½ months ago, this House passed the Veterans-MilCon appropriations bill; and 55 days ago, the Senate passed their version. Since that time the party in control, the Democrats, have sat on their hands refusing to appoint conferees and take action to fund our Nation's heroes. Leader BOEHNER has actually appointed conferees to the conference, and virtually every Republican Member has implored the Speaker to move forward. Our troops are too important to play political games.

Just this past week, I heard from a woman in my district whose son is being treated in the spinal cord injury unit down in Tampa. Let me share with you that she is not a Republican. She is a dyed-in-the-wool Democrat. Her comment to me was that she was ashamed that the increased appropriation that was in the very good bill that we passed here, she was ashamed that those funds have not yet been freed up.

October 1 was the beginning of the Federal year. We have veterans in need of services. We have veterans in need of increased staffing at the various hospitals. Combining these bills clearly is an effort to have people vote on something that will come back and be certainly not what the American public wanted.

You know, when your side won in November, Madam Speaker, I think Americans thought, oh, good, things will be done differently. They are not only not being done differently, they are being done worse than before. That is not what the American public wants.

The American public wants to have our military funded. They want to have our veterans, whether it is from World War II, Korea, Vietnam, or those currently coming back from OIF and OEF, deserving to have good-quality care at the veterans hospitals. And to have that as a separate bill, not be held hostage.

Mr. OBEY. Does the gentleman have any remaining speakers?

Mr. LEWIS of California. Not on this portion, no.

Mr. OBEY. Then could I ask the gentleman to give his summary remarks. I have only one remaining speaker.

Mr. LEWIS of California. Madam Speaker, I would speak just for a moment by way of saying that I think in many ways we have demonstrated if we

are not careful with our rhetoric, we can undermine the opportunity we have for bipartisan consideration of very important work in the House.

One of the most positive experiences I have had as a member of the Appropriations Committee has been to sit in that subcommittee that deals with Labor-HHS. I have been very, very impressed with the amount of nonpartisan, bipartisan support for fundamental research, for example. Earlier it was suggested that there is not that base of support. It is when we get this partisan confrontation on the floor that polarizes us that we tend to become confused about the real work that is positively done within our subcommittees.

□ 1630

Madam Speaker, I must say I would hope that we can do all that we possibly can to try to bring both sides together relative to those research items that I feel have such high priority.

Beyond that, I'm going to be later raising a question by way of a motion to instruct conferees that would suggest that the Labor-HHS bill ought to be dealt with by itself. Where the members of that subcommittee worked so hard and have such expertise in this arena to set their work out and complicate it with VA-HUD over issues that relate to veterans is absolutely undermining the appropriations process.

So, with that, I yield back the balance of my time.

Mr. OBEY. Madam Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman has 6 minutes remaining.

Mr. OBEY. Madam Speaker, I yield myself the remaining time.

Let me state once more that I find somewhat disingenuous concerns expressed about the so-called delay that this process will provide for veterans health care. I would like to know where that same concern was when last year the now-minority party never even passed a Military Construction bill. Last year, they completed their session, they walked out of town, shut the doors and said good-bye, and they never passed any bill whatsoever to provide veterans health care.

So we took over in January, and the very first action we took was to clean up that mess and add over $3 billion to veterans health care. That was our top priority. And then we followed it up in the regular appropriation bill by adding again more than $3 billion. So I will take a backseat to no one in terms of our expression of concern for veterans.

But let me say, we're not just going to take care of veterans as long as they wear the uniform. We're also going to try to take care of their kids' needs for a decent college education. We're going to try to take care of their families' needs in terms of medical research. We're going to try to take care of their housing needs. We're going to try to take care to see that there's decent law enforcement so they can live in communities where kids can actually grow up into adulthood. As the gentleman from Ohio said, we're going to treat veterans as a whole person. That's the purpose of trying to pass all of these bills.

Let me simply say I think these bills have been bipartisan. The Labor-Health-Education bill, one of the speakers indicated that it was the most contentious bill on the floor. We got 53 Republican votes for that bill. I hardly think that we would have done that if it had been a partisan product. In fact, if you average all of the appropriation bills that we passed in this House, we got 65 Republican votes on average for every appropriation bill that passed. That means that we passed these bills on average by exactly two-thirds, which is exactly what it takes to override a Presidential veto.

Now we're simply trying to get these bills to the President as fast as we can and in a way which does not enable him to have an easy time of cherry-picking. That's what we're trying to do.

I sat down with the President's budget director, Mr. Nussle, and I said, Look, why don't we right now, even while the Senate is working, sit down and try to work out a bipartisan compromise for all these bills? He said, Dave, I'm new at the job, but he said, so far I don't find anybody in the White House that has the slightest bit of interest in compromise. I said, Well, that's too bad. I hope that changes. Please call me if it does. But meanwhile, if the President wants to veto something, why don't we at least sit down and try to figure out which bills he wants to veto so maybe we can agree on which ones to send him first. I got no takers on that either.

So we're proceeding the way we're proceeding because we're playing off what the President of the United States has said and done, and so far all we've heard is my way or no way. I don't believe that the Republican Members of this Congress came here to walk in lock step, and certainly we didn't on this side of the aisle. We will find out as the process unravels.

And so with that, I would simply urge that we support this motion.

Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. OBEY).

The motion was agreed to.

MOTION TO INSTRUCT OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Madam Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. Lewis of California moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 3043, be instructed to disagree to any proposition in violation of clause 9 of Rule XXII which:

(1) Includes any additional funding or language not committed to the conference;

(2) Includes matter not committed to the conference committee by either House; or

(3) Modifies specific matter committed to conference by either or both Houses beyond the scope of the specific matter as committed to the conference committee.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from California (Mr. LEWIS) and the gentleman from Wisconsin (Mr. OBEY) each will control 30 minutes.

The Chair recognizes the gentleman from California.

Mr. LEWIS of California. Madam Speaker, I can't help but mention that the preceding discussion must be very enlightening to Americans across the country who may be interested in what we have to say here. It's always been my personal belief that the vast percentage of problems that we face as a people have very little to really do with partisan politics if we can get people together at the subcommittee level to really talk with each other about finding solutions, but clearly, clearly, Madam Speaker, it has to be apparent to almost everybody who had listened today that one side of the aisle in this body seems to believe that the only solution to every problem around is to throw more money at it. That clearly is not the case. Many a solution is found by way of people working together, not just throwing money at some wall.

Madam Speaker, in this motion to instruct conferees, I really repeat the point that the subcommittee members who work within the Labor-HHS community have great expertise in the programs within this arena. They spend a lot of energy and time applying themselves to that work.

Today we're in a process where we're going to tie that piece of work to a combination of two other bills. It's totally unnecessary. The Defense bill passed the House by very sizeable bipartisan numbers. Indeed, the MilCon-VA bill did the same. To suggest that we can't go forward with Labor-HHS as a separate product, I think this is a very unhealthy reflection on the work of that subcommittee.

This motion says the conference can only conference the Labor-HHS bill. They cannot consider adding Defense, MilCon-VA, or other matters outside the scope of the Labor-HHS conference. The Members who serve on the Labor-HHS subcommittee should be making decisions in an open conference regarding the disposition of programs and funding levels in that bill, not other appropriations bills related to the troops, veterans, or other items outside the scope of that conference.

Members serve on subcommittees and have the expertise I suggest because they work within those subcommittees. The people on Labor-HHS, very talented in their work, spend relatively

little of their time in the Defense arena, as well as the arena that deals with MilCon and veterans.

To air-drop Defense appropriations conference reports and the MilCon-VA bill into this process is absolutely unprecedented, in my view, and is a disservice to our Appropriations Committee.

Politicizing these bills and circumventing the normal practice of this and other committees does nothing more than undermine the American people's faith in their government.

Let's move beyond purely partisan politics and send the President a free-standing Labor-HHS bill, as well as individual Defense and MilCon-VA appropriations.

Madam Speaker, I reserve the balance of my time.

Mr. OBEY. Is the gentleman sure he doesn't want to yield back? Could I inquire of the gentleman how many speakers he intends to have on this?

Mr. LEWIS of California. I think maybe there are two or three.

Mr. OBEY. All right. We'll try to do the same.

Madam Speaker, I yield myself 5 minutes.

Let me simply say, Madam Speaker, that what the gentleman is saying is that he wants to prevent us from doing something on this bill which his party did 56 times in the time that they controlled this House over the past 12 years, and I don't find that especially persuasive.

He also wants to prevent us from producing more than one bill at a time, and yet the President signed omnibus appropriation bills 27 times since he's been President, when they came from his own party. Now, because one might come from the Democratic Party, he wants to make a Federal case out of it. I don't think people are going to be very impressed with that either.

I find it very interesting that out of all of the motions that the minority could have offered, they haven't offered a single motion, and nothing in this motion today would in any way reduce by one dime any of the funds that we appropriated in the Labor-Health-Education bill. They argue that the bill is bloated, and yet when we give them an opportunity to offer motions to reduce spending for any specific item they don't take advantage of it.

That is exactly the same experience we had when the subcommittee considered the bill, and in fact, virtually every Republican motion and every Republican speech was on behalf of an effort to increase funding for a number of items, whether it be vocational education, which I agree with, or whether it be Pell Grants or whether it be special education.

So I find it interesting that after all of that rhetoric about so-called bloated funding for this bill they choose to argue an arcane process issue.

All they're really saying is, when you consider Labor-Health, don't even think of moving forward with Military Construction, don't even think of moving forward with Defense, don't even think of addressing the problem of California wildfires, don't even think of adding additional funding for MRAPs. Well, if they're comfortable with that, fine. I don't think we ought to let procedural theology get in the way of doing what's needed for American families and American veterans and American fighting men and women.

So, with that, I would simply urge a ''no'' vote on the motion.

Madam Speaker, I reserve the balance of my time.

Mr. LEWIS of California. Madam Speaker, I'm pleased to yield 3½ minutes to Judge CARTER of Texas, a member of the committee.

Mr. CARTER. Madam Speaker, I thank the gentleman for yielding me this time, and I rise in support of the motion to instruct conferees.

I've been sitting here listening to what's been said here today and trying to figure this all out. I think everybody, I think the American people are trying to figure it all out. It's an interesting process to analyze how the Congress is working on this appropriation process.

But when you really look down as to what we're doing here, we're trying to solve three problems this week on this issue of appropriations. We've got three areas that we're going to look at.

We've got a problem that we want to resolve. We want to fund the Department of Defense and the job that they do defending our Nation, and we've got an appropriations bill that deals with that, deals with protecting our soldiers in the field, getting their mission done and all the things that go attached to the Department of Defense.

We've got a second issue we want to deal with. We want to take care of those veterans that have served us so well and so proudly over the years, make sure that we fund the programs that are necessary for them and to do the necessary military construction of the various bases around the world that is necessary to make sure we're providing for our active duty military what they need. We have those two bills that we've got to deal with this week.

□ 1645

We have a third bill, which is the Labor-HHS bill, that deals with issues of labor, health and human services. All those are important bills. Let's figure out how we can best get this done. The American people gave us a little survey this last week. They told us the one thing they are mad at us about is they say, why don't you just get something done? Why don't you get through the bull and get down to doing the job? That's their number one complaint.

Let's look at this. What's the best way to do this? We've got a Defense bill that there is really no obstacles for that anybody can find. Everybody is pretty much okay on that. We've got a MilCon-Veterans bill. In fact, we made an agreement when we had that little fight over earmarks that we would let those go without even discussing the earmarks, because they were going to go fast track through and be done very quickly. Nobody has got a complaint with that.

Then we have got one bill that a third branch of government has a serious complaint with and has the ability to actually veto. Let's see. Is it an efficient way to do our job this day, to take the two bills we can get done very simply and attach it to a bill that has a major roadblock on it? Is that doing our business efficiently? It seems to be not a good idea to me, but maybe it is. But why would we want to do that? We can pass two easily. The third, we're going to have a long discussion about and a fight and maybe a veto. We could get it done if we separated them apart, but we're putting them together. Why do we do that? Maybe it's because they've got people on their side of the aisle that won't vote for the Defense bill. There are 89 of them that said they won't. So maybe this would coerce them to do it. Or maybe they think they can roll over the President and the Republicans on the issue of spending. Who knows. But let's get down and do it efficiently and just deal with Labor-HHS today.

Mr. OBEY. Madam Speaker, I yield 3 minutes to the gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. I thank the chairman.

Mr. Speaker, I must say I am hearing some conflicting priorities on the floor today. We have heard that the appropriations process is not moving fast enough, despite the fact that under the leadership of Chairman OBEY in the House, we passed every single one of our appropriations bills, I believe in record time. We are hearing that the appropriations process isn't moving fast enough on the one hand, and now we have a motion to instruct the conferees to actually slow it down, to take pieces out of this bill, to stop it. You can't have it both ways. We are trying to get things done. We are trying to move our priorities forward.

Now, I understand that some of my friends don't want to deal with the labor, health and human services aspects of this bill, and they are concerned with the President's argument that we have plenty of money to fund Iraq but can't afford veterans health care here at home and educational priorities here at home and low-income heating for the elderly here at home.

I understand those arguments, but let me suggest to my colleagues that they read a study that was just released yesterday by Harvard Medical School. That study shows there is, in fact, a critical connection between the VA pieces of this bill and the health and human services aspects of this bill. The two should be considered together. That study found that, today, there are 2 million veterans who have no health insurance. And they aren't eligible for

VA benefits. Not eligible for VA benefits and too poor to afford health insurance. The number of uninsured veterans jumped to 1.8 million in 2004, and the population of uninsured veterans is increasing at twice the rate of the general population.

Now, the Labor-H aspects of this bill provides $1.4 billion above the President's request for programs to improve health care access. So taken in its totality, this bill, without segregating the human services components, taken in its totality, this bill protects our troops in the field and also provides access to veterans at home who may not qualify for veterans benefits. As has been stated before, our veterans are a whole. They come back from the war, the last thing they should worry about is not having health insurance. It's the labor, health and human services aspects of this bill that could provide additional access to health care, and that is why this bill ought to be considered as it is.

I would make one other point. We have already considered these bills separately. Each of these components were, in fact, debated, deliberated and passed with overwhelming bipartisan support in the Appropriations Committee and then debated again, deliberated again and passed with significant Republican support on the floor of the House.

There is no reason to move backwards. There is no reason to delay. There is no reason to stop this process. We want to get these bills to the President. We should do so.

Mr. LEWIS of California. Madam Speaker, I yield 3 minutes to the ranking member on the Labor and Education Committee, BUCK MCKEON from California.

Mr. MCKEON. I thank the gentleman for yielding.

Madam Speaker, I rise in support of the motion to instruct conferees. I am disappointed to be standing here under these circumstances.

A full month into the new fiscal year, the Democrats have failed to send a single spending bill to the President for his signature or veto. The President laid out his positions early this year, asking the Congress to adhere to fiscally responsible spending caps.

Democrats have been unwilling or unable to control their spending, passing bills that topped these spending targets by billions of dollars. Now, rather than moving separate bills to support our troops and veterans, Democrats are holding these bills hostage to the swollen Labor, Health and Human Services and Education spending bill.

As the former chairman of the Education Committee, I know firsthand the arguments the other side will make on funding in that bill. So let's focus on the facts. Republicans are strong supporters of programs that support education, health care and workers. Our fiscally responsible spending targets allow significant resources for these programs. Republicans have a strong record when it comes to funding education.

At the same time, we know that the achievement gap in our schools is not caused by a lack of funding, but by a lack of accountability. Throwing money at the problem is not the answer. Our committee is a case study in how the priorities of Democrats diverged from those of the American people.

Democrats have failed to act on the No Child Left Behind, the higher education, and job training bills this year. Yet, they have passed bills to strip workers of the right to a secret ballot election, overturned six decades of civil rights law, and created new entitlement spending at the expense of low- and middle-income college students. The worst may be yet to come.

When Democrats finally take up higher education reform, we may see prisoners getting Pell Grants and drug dealers getting Federal aid. The Democrats have, quite simply, got their priorities in the wrong place. It's time to get back to work and fund these three bills separately for our troops, our veterans, and our students.

Mr. OBEY. Madam Speaker, I have only one remaining speaker, so I would ask the gentleman to finish.

Mr. LEWIS of California. Madam Speaker, how much time is remaining?

The SPEAKER pro tempore. The gentleman from Wisconsin has 24 minutes. The gentleman from California has 21 minutes.

Mr. LEWIS of California. Madam Speaker, I would yield to my colleague from Florida, former chairman of the Appropriations Committee, BILL YOUNG, for as much time as he may consume.

Mr. YOUNG of Florida. I thank the chairman for yielding me the time.

Madam Speaker, I rise to applaud Chairman OBEY for the statements that he has made since the beginning of this session of Congress that we are going to pass all of the appropriations bills individually, separately, and send them to the President, individually and separately. I think that is a great idea. As a former chairman of this Appropriations Committee, I wish I could have done the same thing.

I understand the frustration that Chairman OBEY has in not being able to move the bills the way that he wants to move them. I experienced the same frustration. Mr. OBEY is right. We did have omnibus bills during the time that we were the majority party. The reason we had the omnibus bills is because our partners in the Senate refused to pass their bills.

Now, Chairman OBEY has said so many times that we just didn't do our job. In the House, we did our job. In the House we passed our appropriations bills just like Chairman OBEY did this year, but it takes two Houses to approve a bill and to send it to the White House.

The frustration is that without appropriations bills, the government shuts down. It's pure and simple. Article I of the Constitution of the United States, section 9, says that the administration can't spend any money that has not first been appropriated by Congress. So in order to meet that constitutional responsibility, we have had, on occasion, the need to create an omnibus appropriations bill because the Senate refused to pass their bills. Now, I will concede that during our chairmanship the Senate was a Republican Senate. It was controlled by the Republicans.

Today, the United States Senate still refuses to pass all of their appropriations bills, and today the Senate is controlled by the Democrats. So it just seems like the Senate is the Senate, no matter who controls them politically. But in the case that we are debating today, there is absolutely no good government reason to combine these three bills. Combining these bills will slow them down.

It has been suggested by some of the speakers we ought to move ahead. The Defense appropriations subcommittee was scheduled to conference tomorrow morning to send the bill to the Senate and to the White House. I understand the Labor-HHS Subcommittee was also scheduled to conference tomorrow. These bills could have been conferenced and, by the way, the Military Construction Veterans' Affairs Committee was also prepared to conference, and the President said that he would sign that bill, he would sign the Defense bill. He expressed his concern about the Labor-H bill.

I voted for all three of them. I voted for the Defense bill, I voted for the Military Construction Veterans Affairs bill, and I also voted for the Labor-HHS bill. I think we ought to handle these bills individually to speed up the process, not to slow it down.

By combining these three bills, we all know that it will slow down the process. How long would it slow it down? I don't know, but I do know this, that there is already talk about conducting the appropriations process on these bills on a continuing resolution if it gets slowed down too much. That's not good.

We have done CRs, and we know that, and we know the reason for them. But there is no good reason to put these bills on a CR. They are ready to conference. They are ready to come back to the House and go to the Senate and go to the White House. They are ready. There would be no delay.

It's just not right because there is no good government reason to do this. It's just not right to do it. I suggest that we should join in supporting Chairman OBEY when he says that these bills should be done individually, separately and sent to the President in that fashion, individually and separately.

I support this motion because, if this motion does not pass, and if we appoint Labor-HHS conferees to conference the Defense bill, I mean, they are all very, very talented members, and they all

have great knowledge, but, you know, none of them sat through the hearings. None of them sat through the justifications. None of them sat through the markups.

So to have the Labor-HHS members who are outstanding members on both sides of the aisle, to have them conferencing a large bill as complicated as the Defense bill, that's just not right. It's really interesting that the bills that the leadership would add to the Labor-HHS bill make up 80 percent of the dollars to be appropriated.

□ 1700

The Labor-HHS bill, which becomes the vehicle, is only 20 percent of the appropriations.

This is not right. I'm not going to suggest why the majority leadership made this decision. But I'm going to say, emphatically and without fear of contradiction, there is no good government reason for combining these three bills, because they are ready to be conferenced and sent to the President without any delay whatsoever.

And I thank the gentleman for yielding and for the good job that he does in his role on the Appropriations Committee.

Mr. OBEY. Can I inquire how many speakers the gentleman has remaining.

Mr. LEWIS of California. I have one additional speaker to close.

Mr. OBEY. Just one?

Mr. LEWIS of California. Yes, sir.

Mr. OBEY. Then I'm the last speaker on our side.

How much time remaining?

The SPEAKER pro tempore. The gentleman from Wisconsin has 24 minutes.

Mr. OBEY. I yield myself 5 minutes.

Madam Speaker, I simply want to repeat what the gentleman from Ohio said earlier. We often see politicians try to wrap themselves in the flag, and we often try to see politicians pose for holy pictures every time the issue of veterans comes up. And America's very good at saluting veterans and playing the band when they go off to war. We haven't been as good in dealing with their problems after they come home.

And so what we intend to do in the Military Construction bill, in the Defense bill, in the Labor-Health bill, and in a number of other appropriation bills is we intend to deal with all of the problems faced by veterans and their families and other families in this country.

When veterans come home, they aren't just worried about whether or not they're going to get veterans health care. They also want to know whether the kids are going to be able to go to decent schools, taught by qualified teachers in decent classrooms. So we are going to be trying to see to it that programs such as title I and handicapped education are much more adequately funded than they would be under the President's budget.

Impact Aid, that directly affects many military families. We're trying to make sure that we do a better job funding that program than the President did in his budget.

Medical research, believe it or not, veterans need the results of medical research just as much as and probably more so than many other Americans. We're going to see to it, in our bill, that we don't experience a cutback of 1,100 grants in military research around the country.

I would suggest that this motion simply says that the new minority does not want us to do something which they did 56 times when they ran this House, namely, combine appropriation bills for the purpose either of efficiency or to strengthen our capacity to meet our obligations around the horn.

I also think something else is going on. Under the budget rules of the House, the President does not have the right to veto a budget resolution; he only has the right to veto appropriation bills. But what he is trying to do, by asserting that he, and he alone, will determine what the overall number is for appropriations, he is trying to indirectly position himself so he can veto a budget resolution. He's never had that power. The Congress never gave him that power, and the Constitution certainly doesn't.

So I would suggest that one of the probably unintended consequences of the motion of the gentleman from California is that it would, inadvertently, transfer additional power to the executive branch. I don't think that's wise.

Having said all of that, I want to make one more point. I know the gentleman from Florida would never want to misstate or misquote any other Member, but I was somewhat stunned to hear him suggest that I have said that we must pass these appropriation bills singly. In fact, I have said many times on this floor just the opposite.

I've said that, unlike the previous chairman, who was extremely concerned about passing each of these bills separately, that while I would prefer to do it that way, I would be happy, if that didn't work, to pass them in minibuses or omnibuses or any other kind of bus you can find, so long as we deliver the goods, and so long as the goods are the right goods for the American people. And that's the philosophy I have.

So I would simply suggest, we've had more debate than I'd expected today on procedural niceties. I would suggest that we simply recognize that we've got an obligation to get on with completing our appropriations business. This is the most effective way we can do it.

All three of these bills passed the House on a bipartisan basis, and I have no reason to expect that they won't do the same when they come back from conference.

I do want to say that I agree with not all, but some of the comments made about our esteemed colleagues in the other body, but that's a discussion for another day.

And with that, if the gentleman has one remaining speaker, then I'm prepared to yield back the balance of my time.

Mr. LEWIS of California. Madam Speaker, I yield the balance of my time to the ranking member of the Labor-HHS Subcommittee, JIM WALSH of New York.

Mr. WALSH of New York. I thank my friend from California for yielding time, and I rise in strong support of this motion to instruct conferees.

Before I do that though, I'd like to comment, just make a couple of comments on some of the debate that's occurred, specifically, the notion that the Republican Party, when we were in the majority, did not pass our military quality of life and veterans bills. And I know the chairman knows this, but we did. In the House, we did. We passed our bills overwhelmingly. And we ran into a little problem with the other body. And I know the chairman feels our pain there because he has been and will continue to be running into problems with the other body, and I will work with him on those. But we did conscientiously work to resolve these issues here in the House. And I think historically, at least in my brief time here, we have done that. But the Senate is the Senate, and they do what they do. We do it our own way, and I think we do it very effectively regardless of the party in power in the House.

I would also mention, because the chairman did a little bit of crowing about the things that they are doing in this bill and they've done in the other bills, we passed, year after year after year, record increases in veterans health care spending. And they were needed because we have so many veterans coming back from Iraq and Afghanistan with severe injuries, both physical and mental. But we stepped up to the plate and we did it in a bipartisan way. And we passed record increases. I think, on average, 10 percent increases per year; faster growth than any other budget in the Federal Government. So we are second to none in our support of veterans. And we will continue to support those bills that the other party passes if they are truly bipartisan. And I think this one, the Military Construction and VA bill is.

Back to the motion to instruct the conferees. Quite simply, what this motion says is that the conferees on Labor, Health and Human Services, Education and Related Agencies appropriations bills should not add material to the conference report that was not approved by either House or the Senate. This should not be controversial, but based on what has happened here today, it is.

The reality is that this majority should not be combining a bill that has received a veto threat with two other bills that have not.

I've supported the Labor-H bill throughout this process. Chairman OBEY has been fair, and I've worked with him shoulder to shoulder to bring this bill forward. He has fought for Republican and Democratic initiatives

and measures equally, and I thank him, and he has my respect for that. But I was not consulted when it came to putting these three bills together.

I voted for the Military Construction-VA bill. I voted for the defense bill. They are all good bills, in my humble opinion. The Senate has passed all three bills, as has the House. There is no reason why these three bills cannot be conferenced individually, sent to the President individually and accepted or rejected individually. But most assuredly, by combining them, they are all doomed to fail. If the President vetoes any of the three freestanding conference reports, we in the House, and our colleagues in the other body, will have an opportunity to override that veto.

Frankly, I see the effort to attach the Defense and Military Construction-Veterans bills to the Labor-HHS bill as nothing more than posturing and, in fact, brinksmanship.

Madam Speaker, the resulting bill would represent everything that is wrong with Washington. The confusion that will ensue in the country will only serve as a shining example of why this Congress today enjoys its lowest approval ratings in generations.

The people of New York's 25th Congressional District sent me to Washington to represent their interests and to solve problems. This effort to combine these bills creates a problem.

This Congress has produced less than a handful of bills in 10 months, and no appropriations bills to date. We can pass and have signed two bills easily, the Veterans bill and the Defense bill. But instead, by combining these bills to Labor-H, we will bring them all down. It is a plan to fail, just like the SCHIP bill was.

As I said, I support the Labor-HHS bill and I will likely continue to support it as a freestanding bill.

I understand politics and I understand political strategy, but putting funding for veterans health care and our military at risk to score points is beyond the pale.

I know there are some Members of Congress and some individuals in the White House who would like to see this government continue to operate on a continuing resolution as we have this past year. I don't. We can pass these bills stand-alone, but we can't pass them lashed together.

This process hurts the credibility of the Appropriations Committee, a committee that has historically been nonpartisan and task oriented.

Mark my words, if we continue along this path, we will be operating on a CR again in 2008. And for a third year in a row, no Member requests will be honored in the Labor-HHS bill, and for a third year in a row, the Appropriations Committee will fail to meet its responsibilities.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. LEWIS of California. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 191, nays 222, not voting 19, as follows:

[Roll No. 1026]

YEAS—191

Aderholt
Akin
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Taylor
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—222

Abercrombie
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stupak
Sutton
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—19

Ackerman
Alexander
Butterfield
Carson
Cubin
Hensarling
Jindal
Latham
LaTourette
McCrery
Miller (NC)
Paul
Ryan (WI)
Schiff
Sestak
Stark
Wasserman Schultz
Weller
Wilson (OH)

□ 1736

Messrs. KUCINICH, HONDA, WATT, BISHOP of Georgia, SPRATT, KLEIN of Florida, MARSHALL, OBERSTAR, STUPAK and DONNELLY, and Ms. BERKLEY and Ms. MATSUI changed their vote from ''yea'' to ''nay.''

Mr. HASTERT changed his vote from ''nay'' to ''yea.''

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RYAN of Wisconsin. Madam Speaker, I was absent for legislative business conducted after 3 p.m. on October 31, 2007, due to a family matter that required my personal attention. As a result, I missed rollcall votes 1025 and 1026.

Had I been present, I would have voted "nay" on rollcall vote 1025, final passage of H.R. 3920, the Trade Adjustment and Assistance Act of 2007.

In addition, I would have voted "yea" on rollcall vote 1026, a motion to instruct conferees to H.R. 3043, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 2008.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees on H.R. 3043:

Mr. OBEY, Mrs. LOWEY, Ms. DELAURO, Mr. JACKSON of Illinois, Mr. KENNEDY, Ms. ROYBAL-ALLARD, Ms. LEE, Mr. UDALL of New Mexico, Mr. HONDA, Ms. MCCOLLUM of Minnesota, Messrs. RYAN of Ohio, MURTHA, EDWARDS, WALSH of New York, REGULA, PETERSON of Pennsylvania, WELDON of Florida, SIMPSON, REHBERG, YOUNG of Florida, WICKER, and LEWIS of California.

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON ARMED SERVICES

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Armed Services:

OCTOBER 31, 2007.

Hon. NANCY PELOSI,
Speaker, House of Representatives,
The Capitol, Washington, DC.

DEAR MADAM SPEAKER: This letter is to advise you that, effective today, I am resigning my seat on the House Armed Services Committee. I look forward to resuming my service on the Armed Services Committee when my term on the House Permanent Select Committee on Intelligence expires. I understand that I will retain my seniority on Armed Services for the duration of my leave.

Thank you for your assistance with this matter.

Sincerely,

JAMES R. LANGEVIN,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

138 DAYS, NO VETERANS BILL

(Mr. BOOZMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOOZMAN. Mr. Speaker, I come here today to continue my call on the leadership to move the Veterans appropriations bill forward.

As of today, we have gone 138 days in this Chamber with no action, no plan of action, and more importantly, no veterans bill. I am concerned that we have a $4.4 billion increase in veterans health care collecting dust on someone's desk in this very building. I suspect that there are many people here today and watching at home who are also troubled as well.

I'm proud that the veterans issues are not partisan. They never should be. I am also proud to be a member of a bipartisan Veterans Committee. I am not proud, however, that we have gone this long into the year without a single appropriations bill.

I call on the leadership of the House to get on the stick, get past whatever reason or strategy that is holding this important bill up, and get a clean bill to the President so we can deliver this money to these heroes to whom we owe so much.

FISA

(Mr. MCDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Speaker, we've been here before. In the 1920s, America spied on its citizens and arrested thousands because they advocated for change. In the 1950s, America black-listed innocent Americans whose only crime was to run afoul of Senator Joe McCarthy. In the 1970s, America illegally spied on people in the civil rights and the Vietnam antiwar movements, including Dr. Martin Luther King.

The transgressions were so egregious that a courageous Senator Frank Church from Idaho led a search for truth and affirmation of freedom. In the end, the Congress passed FISA, the Foreign Intelligence Surveillance Act. FISA provides a swift and certain means for America to meet any threat without threatening America's freedoms. But this administration seems it cannot defend America without demolishing America's freedoms.

The President wants the Congress to undermine FISA with new legislation that would make it easy to spy on any American, just like the 1920s, the 1950s and the 1970s. These are not the good old days, and I oppose any attempt to use fear to subvert freedom.

We can keep America safe without sacrificing America in the process. I urge my colleagues to remember why FISA was created and why we should not neuter it in the near future.

TRADE AND GLOBALIZATION ASSISTANCE ACT

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, today the House passed the Trade and Globalization Assistance Act of 2007, and I was very proud to support this legislation. And I thank Chairman RANGEL and, of course, Chairman MILLER for their insight.

A couple of years ago, when we moved on the permanent normal trade relations with China, I worked with the then-Clinton administration to craft an executive order that addressed the question of the loss of jobs when there was a trade bill. We thought that this particular executive order could lay the groundwork for providing for small businesses and those various sectors of the country that would lose their employment or their economic opportunity. Well, look at the trade imbalance now. This is a forthright bill that expands the opportunities for service workers, manufacturers, insists on enrollment opportunities, and it is a good start.

I don't know what the journey will be on future trade bills, but America has to start standing up for its own workers, its own regions, and making sure that small businesses do not lose their economic opportunity simply because we want to engage in globalization. Globalization may be good, but Americans have to be protected, and I was very glad to vote for this legislation today.

□ 1745

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3920, TRADE AND GLOBALIZATION ASSISTANCE ACT OF 2007

Mrs. MCCARTHY of New York. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to make technical corrections in the engrossment of H.R. 3920, to include corrections in spelling, punctuation, section numbering and cross-referencing, and the insertion of appropriate headings.

The SPEAKER pro tempore (Mr. YARMUTH). Is there objection to the request of the gentlewoman from New York?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE VIETNAM WAR REDUX

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, the first national protest demonstration against the Vietnam War occurred 40 years ago this month. About 100,000 Americans came to Washington in October 1967 to protest that foreign policy disaster.

Vietnam was a war of choice. We invaded a country that never attacked us. We sent our troops into the middle of a civil war that had nothing to do with us. We went to war in a country whose culture or history we did not understand. We had no exit strategy.

We went to war after Congress authorized the President to do so. We

found out later that the congressional resolution was based on false information supplied by the administration.

The Vietnam War divided our people. It led to the deaths of thousands of American troops and countless innocent civilians. It undermined our moral leadership in the world. We went to war alone. We were isolated from our allies. It was a propaganda victory for our enemies.

There is more, Mr. Speaker. We propped up an often corrupt government that couldn't figure out how to rule. We kept waiting for South Vietnamese troops to stand up so we could stand down. The Vietnam War squandered our Nation's treasure. It diverted us from solving our own domestic problems.

We said the war was all about spreading freedom. But the people of the country we invaded saw it as a foreign occupation. The occupation went on year after year. It passed from one administration to another. Our leaders kept telling us victory was just around the corner if we put more troops in. It devastated the country we were trying to save. It was a political, economic and moral catastrophe for America.

That was Vietnam. But it sounds exactly like Iraq. Today we are repeating the same terrible mistakes in Iraq that we made 40 years ago in Vietnam. Some of the Members of this House who support our occupation of Iraq lived through Vietnam. They have had 40 years to think about it. Yet they still miss the point. The doctrine of preemptive war is not suited to America because we are not warmongers. The American people do not believe in shooting first and asking questions later.

There is one other mistake we made back then that I hope we won't repeat, but I am afraid we will. The war in Vietnam spread to another country when we bombed Cambodia. Today, there is growing evidence that the administration is getting ready to spread the war in Iraq to another country. That would be Iran. About a week ago, the administration warned that Iran would face serious consequences if it proceeded on its current course. We all wonder what that means. Does it mean another round of shock and awe? Another country for our reckless leaders to bomb?

But the administration needs to consider the ''serious consequences'' that America will face if we attack yet another Middle Eastern country. Our occupation of Iraq has produced a fresh new crop of terrorists. Using military force instead of diplomacy to get Iran to act responsibly will certainly do the same.

In 1999, Mr. Speaker, when America was involved in Kosovo, the then-Governor of Texas said, and I quote him, ''Victory means exit strategy, and it's important for the President to explain to us what that exit strategy is.'' That Governor of Texas is now in the White House. But he is not following his own advice.

The administration has no exit strategy for Iraq. So it is up to Congress to provide one. We must use our power, the power of the purse, to defund the war. Then we must fully fund the safe, orderly and responsible redeployment of our troops' withdrawal and the withdrawal of all military contractors. Then we must launch a vigorous regional and international diplomatic effort to bring peace to Iraq and help it rebuild.

A few years ago, the administration called for an initiative to improve Americans' understanding of history. Our leaders in the White House should start by learning the history of Vietnam.

THE RIGHTS OF THE INDIVIDUAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE. Mr. Speaker, I think it is wise from time to time that we in this House reflect upon our heritage, who we are and where we get our dignity as individuals in this country. As a former judge in Texas for over 22 years, I like to spend time in our schools, our elementaries, junior highs, high schools and even our law schools, discussing all aspects of the United States and our history. And I would often ask this question to the groups that I was talking to: ''Where do we, as Americans, get our rights?''

Sometimes asking that question would cause people some concern that made them somewhat uncomfortable, especially the elites in our law schools. I would ask those questions to not only law professors but justices on our courts throughout the fruited plain.

But the answers would vary from the students. Some would say we get our rights from our parents. Others would say, well, we get our rights from the President. Even one student last week told me we get our rights from Harry Potter. But most of the kids that I would talk to and most of the professors I would talk to say, well, we get our rights as Americans from government.

All of those answers, I submit to you, Mr. Speaker, are wrong because we don't get our rights from any of those entities. We talk about our rights, we claim we have rights, but we never talk about where we get them. I think it would be easier to describe a story that occurred shortly after the Iron Curtain, as Churchill called it, came down, the Berlin Wall, the wall that separated East from West, freedom from slavery. When the wall came down, there were numerous political prisoners in Eastern Europe that were finally freed but put in prison by those oppressive governments for exercising what they believed to be freedoms. One was a Prague, Czechoslovakian student who had gone to prison for 7 years and was serving time because he was reading on the steps of Prague University a forbidden document, a document that that Communist regime said that no one shall read in public.

I would like to read a portion of that document here tonight. He quoted someone from the United States. In that statement where he spent 7 years in prison, he stated, ''We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, the pursuit of Happiness, that to secure these rights, Governments are instituted among Men, deriving the just powers from the consent of the governed.''

Yes, Mr. Speaker, that Prague student who spent 7 years in prison understood where his rights came from. It was not from government, but it was from the Almighty, the Creator, as quoted in the Declaration of Independence that he chose to read and cost him 7 years of his freedom, that Declaration of Independence that was written and authored by Thomas Jefferson.

Of course that document was the status and the statement and the indictment against King George, not the people of England, but King George, the Government of England, for why the United States had a right to be a separate and independent nation. It was an indictment stating the causes, and finally the Constitution was the government that we set up to preserve the rights in the Declaration of Independence.

We get our rights from the Creator. Because if we get our rights from government, governments can take those rights away from us at any time government wishes to do so. Mr. Speaker, 49 of the 50 States have in their preambles a reference to the Almighty. Many of those preambles mention the fact that they get their rights in the States from the Creator.

The Bill of Rights in our Constitution limits government. Government does not have rights. Government has power. And government gets power from us when we choose to give up individual liberty and give up individual rights. Government has the power to control us and control our liberties only if we let it. So the Bill of Rights and the Constitution says government was set up to protect the rights that we have, those God-given rights of life, liberty and the pursuit of happiness. In fact, the ninth amendment to the Bill of Rights says there are more rights that aren't even listed in the Bill of Rights that we have.

Mr. Speaker, on the Jefferson Memorial down the street from where we all are is written a quote by Thomas Jefferson which says, ''God who gave us Life gave us Liberty. Can the liberties of a nation be secure when we have removed a conviction that these liberties are the gift of God?''

Mr. Speaker, if we fail to acknowledge this legal principle of God-given rights, then we deny our heritage as Americans and our reason to be a free people.

And that's just the way it is.

STATE CONSTITUTIONS—REFERENCES TO GOD

Alabama 1901, Preamble: We the people of the State of Alabama, invoking the favor and guidance of Almighty God, do ordain and establish the following Constitution.

Alaska 1956, Preamble: We, the people of Alaska, grateful to God and to those who founded our nation and pioneered this great land.

Arizona 1911, Preamble: We, the people of the State of Arizona, grateful to Almighty God for our liberties, do ordain this Constitution . . .

Arkansas 1874, Preamble: We, the people of the State of Arkansas, grateful to Almighty God for the privilege of choosing our own form of government . . .

California 1879, Preamble: We, the People of the State of California, grateful to Almighty God for our freedom.

Colorado 1876, Preamble: We, the people of Colorado, with profound reverence for the Supreme Ruler of Universe . . .

Connecticut 1818, Preamble: The People of Connecticut, acknowledging with gratitude the good Providence of God in permitting them to enjoy.

Delaware 1897, Preamble: Through Divine Goodness all men have, by nature, the rights of worshiping and serving their Creator according to the dictates of their consciences.

Florida 1885, Preamble: We, the people of the State of Florida, grateful to Almighty God for our constitutional liberty, establish this Constitution . . .

Georgia 1777, Preamble: We, the people of Georgia, relying upon protection and guidance of Almighty God, do ordain and establish this Constitution . . .

Hawaii 1959, Preamble: We, the people of Hawaii, Grateful for Divine Guidance . . . Establish this Constitution . . .

Idaho 1889, Preamble: We, the people of the State of Idaho, grateful to Almighty God for our freedom, to secure its blessings.

Illinois 1870, Preamble: We, the people of the State of Illinois, grateful to Almighty God for the civil, political and religious liberty which He hath so long permitted us to enjoy and looking to Him for a blessing on our endeavors.

Indiana 1851, Preamble: We, the People of the State of Indiana, grateful to Almighty God for the free exercise of the right to choose our form of government.

Iowa 1857, Preamble: We, the People of the State of Iowa, grateful to the Supreme Being for the blessings hitherto enjoyed, and feeling our dependence on Him for a continuation of these blessings establish this Constitution.

Kansas 1859, Preamble: We, the people of Kansas, grateful to Almighty God for our civil and religious privileges establish this Constitution.

Kentucky 1891, Preamble: We, the people of the Commonwealth are grateful to Almighty God for the civil, political and religious liberties . . .

Louisiana 1921, Preamble: We, the people of the State of Louisiana, grateful to Almighty God for the civil, political and religious liberties we enjoy.

Maine 1820, Preamble: We the People of Maine acknowledging with grateful hearts the goodness of the Sovereign Ruler of the Sovereign Ruler of the Universe in affording us an opportunity . . . And imploring His aid and direction.

Maryland 1776, Preamble: We, the people of the state of Maryland, grateful to Almighty God for our civil and religious liberty . . .

Massachusetts 1780, Preamble: We . . . the people of Massachusetts, acknowledging with grateful hearts, the goodness of the Great Legislator of the Universe . . . In the course of His Providence, an opportunity and devoutly imploring His direction . . .

Michigan 1908, Preamble: We, the people of the State of Michigan, grateful to Almighty God for the blessings of freedom establish this Constitution.

Minnesota 1857, Preamble: We, the people of the State of Minnesota, grateful to God for our civil and religious liberty, and desiring to perpetuate its blessings:

Mississippi 1890, Preamble: We, the people of Mississippi in convention assembled, grateful to Almighty God, and invoking His blessing on our work. . . .

Missouri 1845, Preamble: We, the people of Missouri, with profound reverence for the Supreme Ruler of the Universe, and grateful for His goodness . . . Establish this Constitution.

Montana 1889, Preamble: We, the people of Montana, grateful to Almighty God for the blessings of liberty establish this Constitution.

Nebraska 1875, Preamble: We, the people, grateful to Almighty God for our freedom . . . Establish this Constitution.

Nevada 1864, Preamble: We the people of the State of Nevada, grateful to Almighty God for our freedom establish this Constitution.

New Hampshire 1792, Part I. Art. I. Sec. V. Every individual has a natural and unalienable right to worship God according to the dictates of his own conscience.

New Jersey 1844, Preamble: We, the people of the State of New Jersey, grateful to Almighty God for civil and religious liberty which He hath so long permitted us to enjoy, and looking to Him for a blessing on our endeavors.

New Mexico 1911, Preamble: We, the People of New Mexico, grateful to Almighty God for the blessings of liberty.

New York 1846, Preamble: We, the people of the State of New York, grateful to Almighty God for our freedom, in order to secure its blessings.

North Carolina 1868, Preamble: We the people of the State of North Carolina, grateful to Almighty God, the Sovereign Ruler of Nations, for our civil, political, and religious liberties, and acknowledging our dependence upon Him for the continuance of those.

North Dakota 1889, Preamble: We, the people of North Dakota, grateful to Almighty God for the blessings of civil and religious liberty, do ordain . . .

Ohio 1852, Preamble: We the people of the state of Ohio, grateful to Almighty God for our freedom, to secure its blessings and to promote our common.

Oklahoma 1907, Preamble: Invoking the guidance of Almighty God, in order to secure and perpetuate the blessings of liberty establish this.

Oregon 1857, Bill of Rights, and Article I. Section 2. All men shall be secure in the Natural right, to worship Almighty God according to the dictates of their consciences.

Pennsylvania 1776, Preamble: We, the people of Pennsylvania, grateful to Almighty God for the blessings of civil and religious liberty, and humbly invoking His guidance.

Rhode Island 1842, Preamble: We the People of the State of Rhode Island grateful to Almighty God for the civil and religious liberty which He hath so long permitted us to enjoy, and looking to Him for a blessing.

South Carolina 1778, Preamble: We, the people of the State of South Carolina grateful to God for our liberties, do ordain and establish this Constitution.

South Dakota 1889, Preamble: We, the people of South Dakota, grateful to Almighty God for our civil and religious liberties.

Tennessee 1796, Art. XI.III. that all men have a natural and indefeasible right to worship Almighty God according to the dictates of their conscience . . .

Texas 1845, Preamble: We the People of the Republic of Texas, acknowledging, with gratitude, the grace and beneficence of God.

Utah 1896, Preamble: Grateful to Almighty God for life and liberty, we establish this Constitution.

Vermont 1777, Preamble: Whereas all government ought to enable the individuals who compose it to enjoy their natural rights, and other blessings which the Author of Existence has bestowed on man . . .

Virginia 1776, Bill of Rights, XVI Religion, or the Duty which we owe our Creator can be directed only by Reason and that it is the mutual duty of all to practice Christian Forbearance, Love and Charity towards each other.

Washington 1889, Preamble: We the People of the State of Washington, grateful to the Supreme Ruler of the Universe for our liberties, do ordain this Constitution.

West Virginia 1872, Preamble: Since through Divine Providence we enjoy the blessings of civil, political and religious liberty, we, the people of West Virginia reaffirm our faith in and constant reliance upon God . . .

Wisconsin 1848, Preamble: We, the people of Wisconsin, grateful to Almighty God for our freedom, domestic tranquility.

Wyoming 1890, Preamble: We, the people of the State of Wyoming, grateful to God for our civil, political, and religious liberties establish this Constitution.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

(Mr. CUMMINGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

□ 1800

CAMPAIGN SPENDING DOOMSDAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, for 60 years, the Bulletin of Atomic Scientists has operated the doomsday clock which measures the threat to civilization and counts the minutes under midnight. When it was first introduced in 1947, the doomsday clock measured only the nuclear threat. But now it takes climate change into account as well.

But perhaps we need a different doomsday clock, a clock that will warn us about a different type of arms race that also threatens the future of our Republic. This arms race is not nuclear weaponry but instead uncontrolled escalation in campaign spending. Unbridled campaign spending represents the clearest, most present danger to our democratic ideals as a Republic.

Here is the latest evidence. Just this week, the Center For Responsive Politics released the latest information about campaign spending in the 2008 presidential race.

After 9 months of fundraising, says the Center, ''This Presidential money chase seems to be on track to collect an unprecedented $1 billion total. By some predictions, the eventual nominees will need to raise $500 million

apiece to compete.'' $500 million apiece to compete. This is a tremendous amount of throw-weight, to borrow a Cold War term.

''After nine months of fundraising, the candidates for President in 2008 have already raised about $420 million. This Presidential money chase seems to be on track to collect an unprecedented,'' and I repeat, ''$1 billion total''. That is probably four to five times as much as was collected just 4 years ago. On the Democratic side, HILLARY CLINTON has raised nearly $100 million. On the Republican side, Mitt Romney is about half that amount, but Rudy Giuliani is just on his tracks. BARACK OBAMA has raised about an equal amount to Senator CLINTON.

The projected Presidential spending will exceed the annual gross domestic product of 25 nations on this planet. Where is all this money coming from? If the Presidential campaign surpasses the $1 billion mark for the first time in our history, who will own the next President? Isn't that what the American people are asking? Will it be middle-class voters, who are holding on for dear life, ordinary working folks trying to pay for gasoline, put food on the table, pay insurance bills, pay utility bills, pay tuition costs, pay taxes? Will they have more influence over the next President of the United States? Or will the big-money special interests have more influence? We all know the answer to that question.

The people are telling us they are deeply troubled. All the polls show the American people feel that Washington is totally out of step with them. It's hard to imagine a Presidential candidate who is not beholden to special interests. It's hard to imagine that a candidate who relies on hedge funds, multinationals and special interests will be able to stand up for the middle class in America. The middle class is asking where is the President, where is the Congress.

What type of legacy is this leaving for our children? Will they not conclude our Republic is owned lock, stock and barrel by the rich and powerful? It sure looks that way. What will they think our Nation, once founded with the high ideals of patriotism, sacrifice and rebellion against entrenched interests? What has happened to that Republic?

The dollar amounts being tossed around in the 2000 Presidential race make it only a matter time before another giant scandal rocks our government and further undermines the confidence in our body politic and our very system of government. We must curb this arms race now before it's too late.

H. Con. Res. 6, which I have introduced, reaffirms that presence of unlimited amounts of money is corrupting our political process in a fundamental manner. I encourage my colleagues to join me in cosponsoring this legislation and for Americans to pay attention and call this important issue to the attention of their representatives and of those Presidential candidates when they whiz through town.

America needs a new declaration of independence to take our politics back from the money handlers, the bundlers, the lobbyists, the spin doctors and the telemarketers, which is what Presidential campaigns have become, telemarketing, with $1 billion being put on television.

Let's return our Republic, if we can, to the American people and, more importantly, a free Republic to our children.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

REINTRODUCTION OF LEGISLATION TO SUPPORT THE SCIENTIFIC STUDY OF ANCIENT REMAINS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. HASTINGS) is recognized for 5 minutes.

Mr. HASTINGS of Washington. Mr. Speaker, last month the Senate Committee on Indian Affairs approved a bill that included a two-word addition to existing law that effectively blocks the scientific study of ancient skeletal remains discovered on Federal land. This change, tucked into what is being called a technical corrections bill, is very far from a minor ''technical correction.'' It is a fundamental shift in existing law and would overturn a decision of the Ninth Circuit Court, which is second only to the Supreme Court. Such an extreme action should not be hidden within a mostly noncontroversial bill.

In its ruling, the Ninth Circuit Court expressly allowed the research and scientific study of ancient human remains found in the United States. The Senate bill seeks to quietly erase our Nation's ability to study our past and the planet's human history. The Tri-Cities community in my central Washington district needs no introduction to this issue. They experienced firsthand the court battles that ensued after the 9,300-year-old Kennewick Man remains were discovered on the banks of the Columbia River in 1996. These remains are among the oldest found in North America, and the quality of the remains has the potential to yield researchers greater insight into the early history of man in North America.

A full 8 years after the Kennewick Man's discovery, the Ninth Circuit Court ruled in 2004, as I have explained, that the remains were to be studied by scientists. Then, during the last Congress, the Senate first sought its two-word addition in ''technical corrections.'' I introduced a bill to challenge and publicize this action.

Members of the Senate committee decided to try again last month in this Congress. I am forced once again to respond by reintroducing my bill. My bill very simply and plainly ensures the ability for scientific study of truly ancient remains. If this matter is pushed to the Senate, then let us have a full, open and honest debate about what the Senate Indian Affairs Committee would do to scientific study in our country. The effort to quietly slide through such a dramatic change needs to stop. Those who support it should explain why and give a justification.

Mr. Speaker, I hope the introduction of my legislation will help bring balance to what is being done on the other side of the Capitol, and that scientific inquiry is not extinguished through the quiet acts of the United States.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

FACTS ABOUT NICS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MCCARTHY) is recognized for 5 minutes.

Mrs. MCCARTHY of New York. Mr. Speaker, I would like to respond to some inaccurate information being spread on H.R. 2640, the NICS Improvement Amendments Act. As you know, Federal law prohibits nine groups of individuals from obtaining a firearm. One such group includes individuals who are determined to be mentally ill or who were committed to a mental institution. These determinations and commitments are made in accordance with the State law and always in accordance with due process. One purpose of H.R. 2640 is to ensure that information on these people make it into the Federal gun background check system.

According to officials at the Department of Veterans Affairs, VA officials make no determination or commitment regarding the legal mental health status of any of our veterans. However, some groups continue to believe that the VA is sending data to the NICS system on veterans who do not meet the disqualification of gun rights.

To ensure our veterans are not losing their gun rights, I included several protective provisions in H.R. 2640. These provisions ensure two things. First, the VA will only provide records on veterans determined by the same procedures that apply to nonveterans in regards to mental health. Second, they require that the removal from NICS of a veteran's records that do not meet the law's standards.

The intent and purpose of these sections is clear. NICS should only have information on veterans disqualified

because they were legally determined to be mentally ill or involuntarily committed to a mental institution. The VA will not transfer information on veterans who just were treated for posttraumatic syndrome or who have a VA disability rating based on some mental health problem that does not reach the legal threshold of mental illness within the State.

In addition, I recognize that mental illness is not necessarily a permanent impediment. Since the State made the initial determination of mental illness, that State should be able to remove that determination. H.R. 2640 contains a section to address this section.

If a State elects to receive funds authorized by H.R. 2640, it must establish a procedure to review and, if appropriate, reverse mental health status. A veteran or any other individual will be able to apply to a State court, board, commission or any other lawful authority. That authority would review the person's situation. It is up to the State to set up and determine how the procedure will operate in accordance with due process. I expect that a State would use the same process that it uses to make the initial determination or commitment.

H.R. 2640 does not change how a person is found to be disqualified from obtaining or possessing a gun. The language and procedures of the Gun Control Act of 1968 remain in effect. The bill does, however, insist that NICS receives only records on disqualified persons, whether a veteran or nonveteran.

H.R. 2640 would also allow States to establish procedures that permit a person disqualified on the basis of legal mental illness to prove to the State that he or she no longer poses a danger to society.

I believe that H.R. 2640 is fair and it is balanced. I am hoping the other body will soon approve the bill so that the States will be encouraged to provide information that improves the background check system on gun purchases. This was a bill that was worked out together here in the House. It had strong bipartisan support. If the bill had been placed when it was first passed in the year 2002, there is a possibility that Mr. Cho from Virginia Tech would not have been able to obtain a gun and commit the unfortunate murders that he did.

Mr. Speaker, it is common sense that when you work with the NRA, and certainly those that consider me a fair person on reducing gun violence in this country, that we need to get the other body to pass this bill so we can save lives.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

MAKING TRADE ADJUSTMENT ASSISTANCE PROGRAMS BETTER FOR THE FUTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, as the United States enters a new era of trade liberalization, where foreign competition and an evolving international market challenge the historic preeminence of America's manufacturing base, Congress must be vigilant in upholding its commitment to working people and update the safety-net programs that were created to help America's families stay afloat during challenging and troubling economic times.

As the growing global economy continues to reduce barriers to trade, domestic employers are forced to respond to new opportunities and challenges alike. The Trade Adjustment Assistance programs collectively assist in the transition involved in overcoming these challenges.

Today, Mr. Speaker, the House passed landmark legislation to extend these critical safety-net programs to American workers and employers who have suffered from foreign trade. The reauthorization of these programs represents an opportunity for significant reform and enhancement and will serve as one of the milestones that can be a foundation for strengthening U.S. trade policy.

Since 1975, over 3 million American workers have been certified for assistance under the TAA for Workers program, and more than 2 million workers have directly received assistance. In the last 10 years, the TAA for Firms program has saved more than 60,000 jobs. In my district in western Pennsylvania, more than 20 companies have gone through the program and, as a result, have been able to save and even create new jobs for local workers.

Clearly, the TAA programs as a group have an impressive record of success. And the bill that we voted on today, although not designed exactly as I would have preferred, is a strong step forward in strengthening these programs so that they are more efficient, more robust, more flexible and more user friendly.

H.R. 3920 would move to overhaul and reauthorize the TAA for Workers, Firms and Farmers programs for an additional 5 years, through 2012. Importantly, the measure would speed the delivery of benefits by establishing an automatic industry certification system for workers negatively impacted by trade.

As you know, Mr. Speaker, the TAA certification process has been a bureaucratic nightmare of red tape that has plagued the program for a long time. H.R. 3920 would replace the current sluggish and Byzantine system which requires the Department of Labor to individually approve the petitions for assistance for these workers. The establishment of an automatic industry certification alone will be a dramatic improvement on current law.

In addition, the bipartisan measure would extend eligibility to service workers, such as engineers, boost health care benefits, and improve wage insurance programs. In fact, many of these provisions rather closely mirror legislation that I introduced early this year, H.R. 910, the American Competitiveness and Adjustment Act.

As cochair of the TAA Coalition, I have long advocated for the strengthening and streamlining of these critical safety-net programs, and I am proud to have been a part of today's House action, which has been years in the making.

By expanding and clarifying benefits, cutting through mountains of red tape and channeling the right resources toward retraining, H.R. 3920 represents the most important restructuring of TAA since the program's inception. In my view, the Congress has a fundamental obligation to American employers and workers to devote the time necessary to make significant improvements to the program this year.

I look forward to working with my colleagues to advance these commonsense improvements to vastly accelerate and enhance the opportunities afforded workers displaced by trade, as well as augment the competitiveness of American employers before they are forced to furlough workers.

TAA has proven to be a lifeline for American workers displaced by trade. It has prevented thousands of American companies from surrendering to the often increased pressure of the international marketplace, despite their innate ability to compete on a level playing field and to succeed in doing so.

House passage of this bill clears the first hurdle in helping to make TAA better for the future.

Mr. Speaker, I urge the Senate to act swiftly on this critical issue. American workers, employers and indeed our economy cannot wait.

□ 1815

DEMOCRATS HONOR FISCAL RESPONSIBILITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HALL) is recognized for 5 minutes.

Mr. HALL of New York. Mr. Speaker, I come to the floor in defense of fiscal responsibility. After 6 years of disastrous management and record deficits, the new Democratic House has restored fiscal sanity to the Federal Government. We have reinstated PAYGO, or pay as you go, and passed a budget that will balance Federal spending.

As the Speaker knows, PAYGO requires the House to live by the same rules that American families live by. Like them, if we want to spend more money on something, we know we have

to spend less money on something else. Just as families sit down and make tough choices every day, Congress now has to decide what the government's priorities should be.

And the new Democratic majority has made America's priorities the priorities of this Congress. We have twice passed the SCHIP legislation to provide working families with health care for their children.

We passed the College Cost Reduction Act, the largest investment in college financial aid since the GI bill. This bill increased Pell Grants, provided tuition assistance for future teachers, and enabled loan forgiveness for first responders, law enforcement officers, and fire fighters.

The new Democratic Congress also honored America's promise to our veterans by passing the largest budget increase in the history of the Department of Veterans Affairs.

We have passed appropriations bills that fund the most pressing needs of our country. As the bridge collapse in Minnesota showed, there are serious infrastructure needs throughout the country. In fact, there are 13 deficient bridges alone, according to a study that we were shown today in a Transportation and Infrastructure hearing, in my district, the 19th Congressional District of New York.

The House has increased funding for highway repair by $631 million over the President's request to make these important repairs.

We have provided $400 million extra to improve the quality of teachers in America's schools.

House Democrats provided $1.8 billion above the President's request to invest in renewable energies to save our environment and end our dependence on foreign oil.

Because we have funded these vital needs for America, the President has threatened to veto these bills. After borrowing more money than every other President in history combined, President Bush has decided to pretend to be fiscally responsible. Unfortunately for the President, his Halloween costume just doesn't fit. For as he protests over $22 billion for American needs, he has watched $35 billion in taxpayer money get lost or stolen in Iraq. With the money the President has lost in Iraq, we could pay for all of these important needs with billions left over. The President has spent over $2 billion in Iraq to improve oil production; yet still, production of oil in Iraq remains at below prewar levels.

Now the President threatens to veto the Homeland Security bill because House Democrats have added that same amount to train first responders and protect our ports. It seems that the President believes it is more important to waste money in Iraq than to provide critical equipment and protective gear for 250 fire departments in New York.

The President has stood by while contractors have gone $144 million over budget building the embassy in Iraq. With this $144 million, I believe we should instead provide health care for over 20,000 New York veterans.

The President has paid $2 billion to provide drinking water to the Iraqi people, although fewer Iraqis now have access to drinkable water than before the war. Yet the President threatens to veto $1.2 billion, as compared to $2 billion, for clean drinking water here in America.

Finally, the President stood quietly by as the American government shipped $8.8 billion in cash to Iraq and simply lost it. You heard me correctly, lost it. There are absolutely no records to explain where this money went. It just disappeared into the Iraqi desert.

The new Democratic majority has spent the last year restoring fiscal sanity to the government's budget. We have passed legislation to help middle-class families insure their children and pay for college. We have funded important needs across this country. I am proud of our work and I urge the President to stop playing politics and sign these important bills.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WATERS) is recognized for 5 minutes.

(Ms. WATERS addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

PUBLICATION OF THE RULES OF THE COMMITTEE ON SMALL BUSINESS, 110TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. VELÁZQUEZ) is recognized for 5 minutes.

Ms. VELÁZQUEZ. Mr. Speaker, in accordance with clause 2(a) of rule XI of the Rules of the House of Representatives, I respectfully submit the rules of the Committee on Small Business for printing in the CONGRESSIONAL RECORD. The Committee on Small Business adopted these rules by voice vote, a quorum being present, at our organizational meeting on January 31, 2007.

RULES AND PROCEDURES ADOPTED BY THE COMMITTEE ON SMALL BUSINESS, U.S. HOUSE OF REPRESENTATIVES, 110TH CONGRESS, 2007–2008

1. GENERAL PROVISIONS

The Rules of the House of Representatives, and in particular the committee rules enumerated in rule XI, are the rules of the Committee on Small Business to the extent applicable and by this reference are incorporated. Each subcommittee of the Committee on Small Business (hereinafter referred to as the ''committee'') is a part of the committee and is subject to the authority and direction of the committee, and to its rules to the extent applicable.

2. REFERRAL OF BILLS BY CHAIRWOMAN

Unless retained for consideration by the committee, all legislation and other matters referred to the committee shall be referred by the Chairwoman to the subcommittee of appropriate jurisdiction within 14 calendar days. Where the subject matter of the referral involves the jurisdiction of more than one subcommittee or does not fall within any previously assigned jurisdictions, the Chairwoman shall refer the matter, as she may deem advisable.

3. DATE OF MEETING

The regular meeting date of the committee shall be the second Thursday of every month when the House is in session. A regular meeting of the committee may be dispensed with if, in the judgment of the Chairwoman, there is no need for the meeting. Additional meetings may be called by the Chairwoman as she may deem necessary or at the request of a majority of the members of the committee in accordance with clause 2(c) of rule XI of the House.

At least 3 days notice of such an additional meeting shall be given unless the Chairwoman determines that there is good cause to call the meeting on less notice.

The determination of the business to be considered at each meeting shall be made by the Chairwoman subject to clause 2(c) of rule XI of the House.

A regularly scheduled meeting need not be held if there is no business to be considered or, upon at least 3 days notice, it may be set for a different date.

4. ANNOUNCEMENT OF HEARINGS

Unless the Chairwoman, with the concurrence of the Ranking Minority Member, or the committee by majority vote, determines that there is good cause to begin a hearing at an earlier date, public announcement shall be made of the date, place and subject matter of any hearing to be conducted by the committee at least 7 calendar days before the commencement of that hearing.

After announcement of a hearing, the committee shall make available as soon as practicable to all Members of the committee a tentative witness list and to the extent practicable a memorandum explaining the subject matter of the hearing (including relevant legislative reports and other necessary material). In addition, the Chairwoman shall make available as soon as practicable to the Members of the committee any official reports from departments and agencies on the subject matter as they are received.

5. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(A) Meetings: Each meeting of the committee or its subcommittees for the transaction of business, including the markup of legislation, shall be open to the public, including to radio, television and still photography coverage, except as provided by clause 4 of rule XI of the House, except when the committee or subcommittee, in open session and with a majority present, determines by record vote that all or part of the remainder of the meeting on that day shall be closed to the public because disclosure of matters to be considered would endanger national security, would compromise sensitive law enforcement information, or would tend to defame, degrade or incriminate any person or otherwise would violate any law or rule of the House; Provided, however, that no person other than members of the committee, and such congressional staff and such executive branch representatives as they may authorize, shall be present in any business meeting or markup session which has been closed to the public.

(B) Hearings: Each hearing conducted by the committee or its subcommittees shall be open to the public, including radio, television and still photography coverage, except when the committee or subcommittee, in open session and with a majority present, determines by record vote that all or part of the remainder of the hearing on that day shall be closed to the public because disclosure of testimony, evidence or other matters

to be considered would endanger the national security, would compromise sensitive law enforcement information, or would violate any law or rule of the House; Provided, however, that the committee or subcommittee may by the same procedure vote to close one subsequent day of hearings. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance the requisite number required under the rules of the committee to be present for the purpose of taking testimony, (i) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security, would compromise sensitive law enforcement information, or violate clause 2(k)(5) of rule XI of the House; or (ii) may vote to close the hearing, as provided in clause 2(k)(5) of rule XI of the House.

All members of the committee shall be able to participate in any subcommittee hearing.

No member of the House may be excluded from non-participatory attendance at any hearing of the committee or any subcommittee, unless the House of Representatives shall by majority vote authorize the committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearing to members by the same procedures designated for closing hearings to the public. Such members who would like to participate shall notify the Ranking Minority Member and submit a request to the Chairwoman one day in advance of such hearing.

6. WITNESSES

(A) Statement of Witnesses: Each witness who is to appear before the committee or subcommittee shall file with the committee at least two business days before the day of his or her appearance 75 copies of his or her written statement of proposed testimony. Each witness shall also submit to the committee a copy of his or her final prepared statement in an electronic format at that time.

At least one copy of the statement of each witness shall be furnished directly to the Ranking Minority Member. In addition, all witnesses shall be required to submit with their testimony a curriculum vitae or other statement describing their education, employment, professional affiliations and other background information pertinent to their testimony unless waived by the Chairwoman. Each witness will complete a disclosure form detailing any contracts or business that they currently have with the federal government.

The committee will provide public access to its printed materials, including the proposed testimony of witnesses, in electronic form.

(B) Interrogation of Witnesses: Whenever any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the Chairwoman by a majority of those minority members, to call a witness or witnesses selected by the minority to testify with respect to that measure or matter. The minority shall be entitled to a ratio of one-third of the witnesses testifying. For the purposes of determining this ratio, it shall not include testifying government officials. The witnesses requested by the minority shall be invited to testify by the Chairwoman and must furnish at least one copy of his or her statement and any supplementary materials directly to the Chairwoman within one business day before the day of his or her appearance unless waived by the Chairwoman.

Except when the committee adopts a motion pursuant to subdivisions (B) and (C) of clause (2)(j)(2) of rule XI of the rules of the House, committee members may question witnesses only when they have been recognized by the Chairwoman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The Chairwoman and the Ranking Member shall not be subject to the 5-minute period limitation. For all other Committee Members, the 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The Chairwoman, followed by the Ranking Minority Member and all other members alternating between the majority and minority, shall initiate the questioning of witnesses in both the full and subcommittee hearings. The order for questioning by members of each party shall be determined by the time in which the member arrived at the hearing after the gavel has been struck, with the first arriving having priority over members of his or her party. If members arrive at the same time, then seniority shall dictate the order.

In recognizing members to question witnesses, the Chairwoman may take into consideration the ratio of majority and minority members present in such a manner as not to disadvantage the Members of either party. The Chairwoman, in consultation with the Ranking Minority Member, may decrease the 5-minute time period in order to accommodate the needs of all the Members present and the schedule of the witnesses.

7. SUBPOENAS

A subpoena may be authorized and issued by the committee in the conduct of any investigation or series of investigations or activities to require the attendance and testimony of such witness and the production of such books, records, correspondence, memoranda, papers and documents, as deemed necessary. Such a subpoena shall be authorized by a majority vote of the full committee. The requirement that the authorization of a subpoena require a majority vote may be waived by the Ranking Minority Member. The Chairwoman may issue a subpoena, in consultation with the Ranking Minority Member, when the House is out for more than three legislative days.

8. QUORUM

No measure or recommendation shall be reported unless a majority of the committee was actually present. For purposes of taking testimony or receiving evidence, there shall be one member from the majority and one member from the minority for the purposes of a quorum. Such requirement shall be waived for field hearings. For all other purposes, one-third of the members (or 11 Members) shall constitute a quorum.

9. AMENDMENTS DURING MARK-UP

Any amendment offered to any pending legislation before the committee must be made available in written form when requested by any member of the committee. If such amendment is not available in written form when requested, the Chairwoman shall allow an appropriate period for the provision thereof.

10. POSTPONEMENT OF PROCEEDINGS

The Chairwoman in consultation with the Ranking Minority Member may postpone further proceedings when a record vote is ordered on the question of approving any measure or matter or adopting an amendment. The Chairwoman may resume proceedings postponed at any time, but no later than the next meeting day. In exercising postponement authority, the Chairwoman shall take all reasonable steps necessary to notify members on the resumption of proceedings on any postponed recorded vote. When proceedings resume on a postponed question, notwithstanding any intervening order for the previous question, an underlying proposition shall remain subject to further debate or amendment to the same extent as when the question was postponed.

11. NUMBER AND JURISDICTION OF SUBCOMMITTEES

There will be five subcommittees as follows: Finance and Tax (6 Democratic Members and 5 Republican Members); Contracting and Technology (6 Democratic Members and 5 Republican Members); Regulations, Health Care, and Trade (8 Democratic Members and 7 Republican Members) Rural and Urban Entrepreneurship (7 Democratic Members and 6 Republican Members); Investigations and Oversight (4 Democratic Members and 3 Republican Members).

During the 110th Congress, the Chairwoman and Ranking Minority Member shall be ex officio members of all subcommittees, without vote, and the full committee shall have the authority to conduct oversight of all areas of the committee's jurisdiction. In addition, all members of the committee may participate in hearings of any subcommittee of the committee. In addition to conducting oversight in the area of their respective jurisdiction, each subcommittee shall have the following jurisdiction:

Subcommittee on Finance and Tax

The Small Business Administration (SBA) Lending and Investment programs: Section 7(a) loan program, 504 Certified Development Company program, Small Business Investment Company program, Disaster Loan Assistance programs, and Microloan program; access to capital and finance issues generally; and oversight over tax policy and retirement/pension matters affecting small businesses.

Subcommittee on Contracting and Technology

SBA Contracting programs including the following: Section 8(a) Business Development program, Small Disadvantaged Business SDB certification operated by SBA, Women's Procurement Program, HUBZone program, Surety Bond program, Service-disabled veteran procurement, and Section (7)(j) management and technical assistance program. SBA Technology programs: Small Business Innovation Research (SBIR) program, Small Business Technology Transfer program; oversight of government-wide procurement practices and programs affecting small businesses and oversight of technology and patent issues.

Subcommittee on Regulations, Health Care, and Trade

The Regulatory Flexibility Act, the Small Business Regulatory Enforcement Fairness Act, and the Paperwork Reduction Act; SBA's Office of Advocacy, National Ombudsman, and SBA small business size standards; oversight of regulations and regulatory issues that affect small businesses; oversight of health care coverage issues; oversight over issues affecting small health care providers; and oversight of trade issues, including SBA's Office of International Trade.

Subcommittee on Rural and Urban Entrepreneurship

SBA entrepreneurial development programs: Women's Business Centers, National Veterans Business Development Corporation, Small Business Development Centers, SCORE, Drug Free Workplace program, Office of Women's Business Ownership, and National Women's Business Council (NWBC).

New Markets Venture Capital (NMVC) program, New Markets Tax Credit program, BusinessLiNC and the Program for Re-Investment in Micro entrepreneurs.

General oversight of programs targeted toward urban and rural economic growth as well as general federal government entrepreneurial development programs; oversight of agricultural issues; and oversight of energy issues.

Subcommittee on Investigations and Oversight

Oversight of SBA Administration, Management, and Agency Practices.

Oversight of activities by the Office of the Inspector General at SBA.

12. COMMITTEE STAFF

(A) Majority Staff: The employees of the committee, except those assigned to the minority as provided below, shall be appointed and assigned, and may be removed by the Chairwoman. The Chairwoman shall fix their remuneration, and they shall be under the general supervision and direction of the Chairwoman.

(B) Minority Staff: The employees of the committee assigned to the minority shall be appointed and assigned, and their remuneration determined, as the Ranking Minority Member of the committee shall determine.

(C) Subcommittee Staff: The Chairwoman and Ranking Minority Member of the full committee shall endeavor to ensure that sufficient staff is made available to each subcommittee to carry out its responsibilities under the rules of the committee.

13. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it. Subcommittee chairmen shall set meeting and hearing dates after approval of the Chairwoman of the full committee. Meetings and hearings of subcommittees shall not be scheduled to occur simultaneously with meetings or hearings of the full committee.

14. RECORDS

The committee shall keep a complete record of all actions, which shall include a record of the votes on any question on which a record vote is demanded. The result of each subcommittee record vote, together with a description of the matter voted upon, shall promptly be made available to the full committee. A record of such votes shall be made available for inspection by the public at reasonable times in the offices of the committee.

The committee shall keep a complete record of all committee and subcommittee activity which, in the case of any meeting or hearing transcript, shall include a substantially verbatim account of remarks actually made during the proceedings, subject only to technical, grammatical, and typographical corrections authorized by the person making the remarks involved.

The records of the committee at the National Archives and Records Administration shall be made available in accordance with rule VII of the Rules of the House. The Chairwoman of the full committee shall notify the Ranking Minority Member of the full committee of any decision, pursuant to clause 3(b)(3) or clause 4(b) of rule VII of the House, to withhold a record otherwise available, and the matter shall be presented to the committee for a determination of the written request of any member of the committee.

15. ACCESS TO CLASSIFIED OR SENSITIVE INFORMATION

Access to classified or sensitive information supplied to the committee and attendance at closed sessions of the committee or its subcommittees shall be limited to members and necessary committee staff and stenographic reporters who have appropriate security clearance when the Chairwoman determines that such access or attendance is essential to the functioning of the committee.

The procedures to be followed in granting access to those hearings, records, data, charts, and files of the committee which involve classified information or information deemed to be sensitive shall be as follows:

(A) Only Members of the House of Representatives and specifically designated committee staff of the Committee on Small Business may have access to such information.

(B) Members who desire to read materials that are in the possession of the committee should notify the clerk of the committee.

(C) The clerk will maintain an accurate access log, which identifies the circumstances surrounding access to the information, without revealing the material examined.

(D) If the material desired to be reviewed is material which the committee or subcommittee deems to be sensitive enough to require special handling, before receiving access to such information, individuals will be required to sign an access information sheet acknowledging such access and that the individual has read and understands the procedures under which access is being granted.

(E) Material provided for review under this rule shall not be removed from a specified room within the committee offices.

(F) Individuals reviewing materials under this rule shall make certain that the materials are returned to the proper custodian.

(G) No reproductions or recordings may be made of any portion of such materials.

(H) The contents of such information shall not be divulged to any person in any way, form, shape, or manner, and shall not be discussed with any person who has not received the information in an authorized manner.

(I) When not being examined in the manner described herein, such information will be kept in secure safes or locked file cabinets in the committee offices.

(J) These procedures only address access to information the committee or a subcommittee deems to be sensitive enough to require special treatment.

(K) If a member of the House of Representatives believes that certain sensitive information should not be restricted as to dissemination or use, the member may petition the committee or subcommittee to so rule. With respect to information and materials provided to the committee by the executive branch, the classification of information and materials as determined by the executive branch shall prevail unless affirmatively changed by the committee or the subcommittee involved, after consultation with the appropriate executive agencies.

(L) Other materials in the possession of the committee are to be handled in accordance with the normal practices and traditions of the committee.

16. OTHER PROCEDURES

The Chairwoman of the full committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the committee.

17. AMENDMENTS TO COMMITTEE RULES

The rules of the committee may be modified, amended or repealed by a majority of the members, at a meeting specifically called for such purpose, but only if written notice of the proposed change has been provided to each such member at least 3 days before the time of the meeting.

18. BUDGET AND TRAVEL

(A) From the amount provided to the Committee in the primary expense resolution adopted by the U.S. House of Representatives for the 110th Congress, the Chairwoman, after consultation with the Ranking Minority Member, shall designate one-third of the budget under the direction of the Ranking Minority Member for the purposes of minority staff, travel expenses of minority staff and members, and minority office expenses.

(B) The Chairwoman may authorize travel in connection with activities or subject matters under the general jurisdiction of the Committee.

(C) The Ranking Minority Member may authorize travel for any minority member or minority committee staff member in connection with activities or subject matters under the general jurisdiction of the Committee. Before such travel, there shall be submitted to the Chairwoman in writing the following at least seven calendar days prior: (a) The purpose of the travel; (b) The dates during which the travel is to occur; (c) The names of the States or countries to be visited and the length of time spent in each; and (d) The names of members and staff of the committee participating in such travel.

At the conclusion of such travel, a summary of the activity and its accomplishments shall be provided to the Chairwoman within ten calendar days.

19. COMMITTEE WEBSITE

The Chairwoman shall maintain an official Committee website for the purpose of furthering the Committee's legislative and oversight responsibilities, including communicating information about the Committee's activities to Committee members and other Members of the House. The Ranking Minority Members may maintain a similar website for the same purpose, including communicating information about the activities of the minority to Committee members and other Members of the House.

20. VICE CHAIR

Pursuant to House Rules, the Chairwoman shall designate a member of the majority party to serve as Vice Chairman of the Committee. The Vice Chairman shall preside at any meeting or hearing during the temporary absence of the Chairwoman. If the Chairwoman and Vice Chairman are not present at any meeting or hearing, the ranking member of the majority who is present shall preside at the meeting or hearing.

MILITARY SUCCESS IN IRAQ COMMEMORATION ACT OF 2007

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, today I introduced legislation, with the support of a number of my colleagues, entitled the "Military Success in Iraq Commemoration Act of 2007." This legislation is borne from my deeply held belief that we must commend our military for their exemplary performance and success in Iraq. This legislation recognizes the extraordinary performance of the Armed Forces in achieving the military objectives of the United States in Iraq, encourages the President to issue a proclamation calling upon the people of the United States to observe a national day of celebration commemorating the military success of American troops in Iraq, and provides other affirmative and tangible expressions of appreciation from a grateful Nation to all veterans of the war in Iraq.

Mr. Speaker, as lawmakers continue to debate U.S. policy in Iraq, our heroic young men and women continue to willingly sacrifice life and limb on the battlefield. Our troops in Iraq

did everything we asked them to do. We sent them overseas to fight an army; they are now caught in the midst of an insurgent civil war and continuing political upheaval. The United States will not and should not permanently prop up the Iraqi government and military. U.S. military involvement in Iraq will come to an end, and, when U.S. forces leave, the responsibility for securing their nation will fall to Iraqis themselves. However, whether or not my colleagues agree that the time has come to withdraw our American forces from Iraq, I believe that all of us in Congress should be of one accord that our troops deserve our sincere thanks and congratulations.

I very strongly believe that our Nation has a moral obligation to ensure that our veterans are treated with the respect and dignity that they deserve. One reason we are the greatest Nation in the world is because of the brave young men and women fighting for us in Iraq and Afghanistan. They deserve honor, they deserve dignity, and they deserve to know that a grateful Nation cares about them.

The legislation that I introduced today, the Military Success in Iraq Commemoration Act of 2007, pays fitting tribute to the valor, devotion, and heroism of those who fought in Iraq. First, this legislation provides an express acknowledgment by the Congress that the objectives for which the Authorization for Use of Military Force (AUMF) resolution of 2002 authorized the use of force in Iraq were achieved by the Armed Forces of the United States, which performed magnificently in battle. It specifically recounts several notable achievements of the Armed Forces in Operation Iraqi Freedom.

In addition, this legislation authorizes the President to issue a proclamation calling upon the American people to observe a national day of celebration commemorating the Armed Forces' military success in Iraq. This will help ensure that the Iraq War does not suffer the fate of other open-ended engagements like the Korean War, which is often called the ''Forgotten War.'' The soldiers who have served valiantly in Iraq deserve to be recognized and lauded when they return home.

Mr. Speaker, this legislation also authorizes funds to be appropriated and awarded by the Secretary of Defense to State and local governments to assist in defraying the costs of conducting suitable ''Success in Iraq'' homecoming and commemoration activities and in creating appropriate memorials honoring those who lost their lives in the war. Many of the casualties in the Iraq War come from small towns and villages in rural or economically depressed areas. The local governments are already facing substantial fiscal pressures and need help coming up with the necessary funds.

Finally, my legislation creates a program and authorizes funds to be appropriated pursuant to which the Secretary of Veterans Affairs shall award to each veteran of Operations Iraqi Freedom and Enduring Freedom a grant of $5,000 to facilitate the transition to civilian life. We don't want veterans to end up homeless or unemployed or unable to take their kids on a vacation or start a business. This $5,000 bonus is but a small token of the affection the people of the United States have for those who risked their lives so that we may continue to live in freedom.

Mr. Speaker, outside my office there is a poster-board with the names and faces of those heroes from Houston, Texas who have lost their lives wearing the uniform of our country. To date, the U.S. Department of Defense has confirmed 3838 casualties in Iraq. It is humbling to recognize how lucky we are to live in a Nation where so many brave young men and women volunteer knowing they may be called upon to make the ultimate sacrifice so that their countrymen can enjoy the blessings of liberty. The intent of my legislation is to pay fitting tribute to these great men and women and to let them know they will not be forgotten.

Mr. Speaker, I would like to urge all of my colleagues to join me in recognizing the efforts of our brave men and women in uniform and to ensure that they can successfully transition to civilian with dignity. I urge my colleagues to cosponsor this important legislation.

ACCOMPLISHMENTS OF THE 110TH CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Florida (Mr. KLEIN) is recognized for 60 minutes as the designee of the majority leader.

Mr. KLEIN of Florida. Mr. Speaker, it is a pleasure to be here this evening along with my colleagues from our freshman class. It is Halloween, and we are happy to be here. We know that our friends and neighbors are celebrating the holiday with their families, but we are going to talk about a little trick or treat, if you will, tonight. In addition, we are going to talk about some things that tie into a little bit of a Halloween theme and what is important in America right now. Back on the streets and back in the homes of the families that are very, very concerned about our country and the opportunities that their children have, taking care of their parents and grandparents, these are things that we recognize as all Members of Congress, Democrats and Republicans, that we have a responsibility to work with our businesses and our community leaders and our families to make sure that we make life a little bit better.

Before I get into some of the details, I am going to yield to the president of our freshman class, the gentleman from Minnesota (Mr. WALZ).

Mr. WALZ of Minnesota. Mr. Speaker, it is a pleasure to be here tonight with these great legislators to do several things. One is to reiterate the responsibilities of the first branch, article I of the Constitution, the House of Representatives and the Senate as coequal branches of our government, and also to highlight by the use of finally reinstating after 6 years of capitulation to the administration, finally illustrating to the American people what can be done when there is a coequal branch of government.

As my colleague from Florida was speaking about Halloween, our children are home celebrating Halloween. And the President was very clever today when he talked about a bill that he saw disguised as a trick. This bill he talked about is the SCHIP legislation which has 43 of our Nation's Governors supporting it, 273 Members of the House of Representatives, 68 Senators, and 81 percent of the American public.

What the President does not realize any more is there is a coequal branch of government functioning here. The President also said we have been wasting time. This perception of Congress failing is not something that is done by chance. It is done on message. Many Members know that a former Speaker of this House, Newt Gingrich, when he talked about how to take control of this House, talked about the only way to do so was to destroy the credibility of this institution and to pull Congress down.

Make no mistake, there is very much an idea here of obstructionism, but I want to be very clear: What the President talks about wasting time is things like ensuring the richest, most prosperous nation on Earth provides health care for its most vulnerable citizens, its children. The measure of this society, if it cannot be by what we are willing to do for our children, I am not sure there is another measure. And as we consider ourselves a great Nation, of which we are, the idea that this President would use the idea of fiscal conservativeness, after spending trillions and trillions into debt, and wasting, as you heard one of our previous colleagues speak about, money that disappeared, the money that has disappeared in Iraq and the waste on the contractors alone would pay for this bill. And this President asked us not to ask those questions.

Well, if he thinks that looking for fraud, waste and abuse is wasting time, I guess his definition is correct. I would say it is our constitutional authority.

Making college more affordable for middle-class Americans, making homeownership a reality based on fair lending practices, not predatory lending practices. And making sure we care for our veterans and for our soldiers. Those are the things that this Democratic Congress came here to do. We face massive opposition from a President who never even uttered the word ''veto'' in his first 6 years, but now utters it every single day on legislation that will improve this country. So I am proud to be part of this new class and I am proud to be part of this movement to once again reassert our authority on this.

The President's definition of wasting time is this country's business that we are doing. He simply dislikes it because, as we all here agree, the President has a very different reality of what makes a great Nation. We would argue a great Nation is one that is founded on those principles that were so critically important to the founding of article I of our Constitution which my colleague is shortly going to discuss. I yield back, and I look forward to a lively conversation here about the real progress that is being made.

Mr. KLEIN of Florida. I thank the gentleman from Minnesota. I think you

have provided great leadership for all of us in our freshman class. We are freshmen now for 9 months.

As you said, what the President categorizes as wasting time and the notion that nothing is getting done, well, there are some things that are getting done. Most importantly, there are some things that are on the brink. We will talk about a couple of those things.

Before I turn it over to the gentleman who is going to talk about the balance of power and how we are going to get to where we want to go here, because that is the American value of our democracy, I am going to list a few of the items that we have passed in this Congress with Democrats and Republicans, Democrat leadership but Republicans coming together, many of them, and the President signed them. A couple of things that are very, very important, I know many of these subjects were talked about in our campaigns.

Many people said 9/11. The 9/11 Commission Report, a thorough report that unfortunately most of it was not adopted. It has been adopted by this Congress in full and paid for.

I come from an area in Florida where we have ports, two major seaports in my district, and many airports. Many of you from all over the country have the same thing. It's now fully funded. We are making sure that the cargo is screened and all of the cargo, whether seafaring or air, is moving along.

PAYGO. We all believe in strong fiscal management. You only pay as you go. No more guessing we are going to have all this money in the future. No more taking the war and not even counting it against the national deficit. We now have a standard that was passed unanimously in this Congress. You can only spend what you have, just like you balance your books at home.

We made ethics and lobbying a reform priority. We now have gift bans. I don't need a cup of coffee from a lobbyist. I can buy my own cup of coffee. It is a standard everybody should have, and now it is in place.

We passed America COMPETES which is an innovative agenda supported by Chambers of Commerce all over the country, putting our priorities first in math and science and making sure the high-tech jobs will stay here.

We have lower interest rates for education. We all know the importance of a college education is crucial. Every one of these bills I have ticked off so far, I have listed so far, were passed by this Congress and signed by the President. We are very, very proud of that. Again, we have to talk about it.

There is a water resources bill for those with water projects. In my area, it is the Everglades. Many have polluted rivers and lakes and water issues. That bill was passed overwhelmingly by the Congress. It is on the President's desk. He has said he may veto it. If he does, that may be the first bill that gets overridden because I think there are enough votes.

And we will come back to SCHIP. It is a bipartisan supported bill written by Democrats and Republicans, and it is a wonderful bill. But before we get to SCHIP, I want to turn it over to Mr. YARMUTH of Kentucky to talk about what our democracy is all about and how this balance of power needs to come through.

□ 1830

Mr. YARMUTH. Mr. Speaker, I thank the gentleman from Florida, and it's a pleasure to be here with my distinguished colleagues from the class of 2006 talking about the issues that confront this Congress and this Nation and also some of the issues that we have in dealing with the basic functioning of government, which is one of the reasons we're here tonight.

And I'm so happy that my colleague from Minnesota mentioned the President's statement that we were wasting time and doing many of these things. I can only think when I heard him make that statement, did he really think that maybe the Founding Fathers were wasting their time when they wrote the Constitution? Because the first thing they did when they wrote the Constitution was write article I, which established the Congress of the United States and vested all legislative powers in the Congress of the United States, not some of them, not those dealing with certain subjects, but all of them in the Congress of the United States.

And the reason they did that was simple. They had escaped. They had revolted to escape a dictatorial form of government when one person was the decider. We've had one person who thinks he's the decider in the White House, and we've had members of both parties who have been in the White House and felt that they were the deciders, but that's not what the Founding Fathers envisioned.

They envisioned a representative democracy in which people that they sent to decide how the government would affect their lives would make those decisions, and that's why they put article I first. That's why they created the executive branch in article II of the Constitution, and that's why when we act, whether it's to provide health insurance for kids, whether it's to provide resources for water projects throughout the country, whether it's to provide for the Defense Department for our soldiers, our brave men and women fighting overseas, for our veterans, whether it's when we try to create a new energy policy for this country, when we try to provide a sound and high-quality education for everyone in this country, that we're doing it pursuant to the powers, and not just the powers but the responsibilities that the Founding Fathers vested in this very body.

So, when the President says we're wasting time, I would beg to differ, because if we're wasting time, then the Founding Fathers wasted time when they wrote the Constitution.

And that's why it's so important that we focus not just on what we do here but why we're doing it and the fact that we are actually realizing the direction and the decisions made by those great men 220 years ago when they formed this Constitution that determines how we operate in this country and that has served this country so well for so long.

So I look forward to the next few minutes of discussion, and once again, I'm so proud to be here talking about how we're putting article I to use for the benefit of the American people.

Mr. KLEIN of Florida. Mr. Speaker, I just want to thank the gentleman from Kentucky for really highlighting the importance of article I. I mean, it's something we all went to elementary school and middle and high school and learned about our Constitution, but it is that balance of power that really sets our country out from any other country in the world, any other democracy.

And I know the gentleman from New Hampshire has also taken a real lead in explaining and talking about the application of this and how the abuses have just been out there. So, if the gentleman from New Hampshire (Mr. HODES), would share some of your thoughts with us.

Mr. HODES. Mr. Speaker, I thank the gentleman for yielding. I'm very glad to be here on this Halloween night. I'd like to think this is a treat for us, a treat for those who are listening to us or watching on television and in the country, although lots of folks are probably out with their kids trick-or-treating tonight.

But it is an absolute honor to be here with the Members of the class of 2006, and many of us are wearing article I buttons. And the importance of those buttons is to raise the awareness in Congress and around the country about the importance of the checks and balances in our system of government.

We spoke last week about some of these issues, and I was flooded with calls not just from my constituents but from people around the country thanking us for talking about the checks and balances in our system and explaining in as clear a way as we could the importance of our system of government and why the Founding Fathers put Congress first.

Many people think that Congress is three coequal branches of government. Many people think that the President and the House of Representatives and the Senate somehow are coequal when actually the Congress, in article I of our Constitution, as the people's House, as the voice of the people, is given preeminence.

It is the Congress that makes the laws, not the President. The President doesn't make the law. He's got to follow the law that Congress makes. It is the Congress that raises the money to run government, to fill the programs, and Congress that spends the money we raise. It is Congress that has the power

to assess taxes, levy taxes. It is Congress that has the power to declare war and only Congress that has the power to declare war.

And these days, as we contemplate very difficult issues of war and peace in the Middle East, our involvement in Iraq and around the world, those powers, the war powers of Congress, versus the powers asserted by this President have come into sharp focus and occasional sharp contrast. I believe that we're going to see in the days ahead those kinds of debates in this people's House as we discuss who has the power to take this country into armed conflict, who has the power to declare war or not, are we at war. These are questions that are going to be heard.

There's a very interesting example of the clash between the assertion of Presidential power, which we've seen here, and the real power that Congress has. Right now, as many of my colleagues know, the House Judiciary Committee, as well as the Senate Judiciary Committee, is investigating. These committees are investigating whether there was something amiss in the way the United States Attorney's Office was run, whether there was political interference with United States attorneys. And Congress, the Judiciary Committee, has issued subpoenas.

Subpoenas are the method by which a body that has the power to make witnesses come issues a subpoena that says to a witness, you've got to come and testify under oath. And Congress has issued subpoenas to two members of the White House, who previously were in the White House, Karl Rove and Harriet Miers. They have refused to come to testify before Congress, and a question arises.

Congress can hold them in contempt and then ask the Justice Department to enforce that contempt, and right now we're looking at a new Attorney General possibly for this country. He was asked, this Attorney General who was nominated by the President, he was asked whether or not if Congress holds these witnesses in contempt for not answering the subpoenas, would his Justice Department refer the matter to grand jury for criminal prosecution as Federal law requires. Mr. Mukasey, the nominee for the Attorney General, suggested that his answer would be no.

Now, this is not the law. That is not the proper balance for Congress and the President. He made, in addition, a startling claim. He claimed, this is the possible Attorney General of the United States, that the President of the United States could defy the law as it's written in Congress if he believed that it was his responsibility to defend the country. That is a huge exception to the rule that Congress' laws are supreme and it is Congress that makes the law and the President is to follow them.

So this issue, what is Congress' power, what are the powers given to us by article I and how we assert them, and the clash between congressional power and Presidential power is alive today. It's going on right now, and it's of vital importance to the future of this country as we decide whether we are a Nation of laws or a Nation of men.

Mr. KLEIN of Florida. Mr. Speaker, I thank the Congressman from New Hampshire. I think you bring up something that although back home when people are thinking about these issues, they don't necessarily think about the battle between the President and Congress or the battle between the agency head and Congress.

But I think the bottom line is what you just said. It's about the rule of law. I mean, every American accepts the fact we're a Nation of laws, we live by the rule of law, and there's nobody that gets excepted from that, whether it's someone who's cleaning an office or whether it's someone who's an accountant or whether it's the President of the United States. We're equal, and it doesn't have to mean somebody's been elected or not. We're all under the same law. I think that's the bottom line of this whole consideration.

I now would like to bring into this conversation a colleague of ours from the freshman class, the gentleman from Tennessee (Mr. COHEN).

Mr. COHEN. Mr. Speaker, I appreciate the recognition. It's a great honor to be a member of this class and a Member of this Congress.

I can testify, having spent really a lifetime in local and State government, about the talent level that exists in this class and, to be honest, this Congress. There are numerous people who are committed to issues and have a wealth of talent and knowledge, and they put that to work on a daily basis to try to come up with the best solutions for the American people for a new direction in this country.

The gentlemen I'm with are four of the leaders in this class and in this Congress. I really want to commend the gentleman from Kentucky (Mr. YARMUTH) for bringing this article I issue to the fore. The op-ed written in the New York Times by Mr. Adam Cohen really brought forth all the points that Congressman YARMUTH thought about when he brought this campaign to our attention and the freshman class adopted it.

Article I does make it clear that Congress makes the laws and Congress is where the power starts. It's really supposed to be the strongest arm of government because it truly represents the people, and this House has 435 Members. Each Member in the history of this House, and there have been about 10,000 people who have served in this House over the history, have been elected. Nobody, if there's a vacancy, gets appointed. In this place, not like the United States Senate or your State legislature, there aren't any interim appointments. Every person is elected by the people at home and they're supposed to represent those people, and I think it happens here.

This House needs to assert its power, and one of the areas where it's been doing it, particularly in the Government Reform Committee which Mr. WAXMAN chairs, and looking into actions of this administration is also the Judiciary Committee, where I'm blessed to be a member with Chairman JOHN CONYERS. We've had the opportunity to look into the Justice Department, which Mr. HODES brought up. The Justice Department we found has politicized that office to the extent that it's really embarrassing I think to us as members of the committee, Members of us particularly who are attorneys and know what the attorneys and judges are supposed to be in terms of being impartial in the way they mete out justice, and I think to the judiciary at large in this country.

The politicization of that office has been greater than I think at anytime in the history of this country. The cases that have been brought we have found have been based, oftentimes, on the politics of who the defendant is.

We had the discussion last week of the case in Mississippi where one gentleman was indicted and another gentleman was not investigated. The gentlemen did the same exact thing. They each guaranteed loans, which was legal in Mississippi, to a justice, a Justice Diaz of the Supreme Court.

One gentleman made contributions that guaranteed a contribution of $65,000. Another gentleman guaranteed contributions of $80,000. The gentleman who guaranteed the $65,000 was indicted and tried in a Federal court. The gentleman that made the $80,000 contribution wasn't indicted or even investigated.

They each loaned a home to Justice Diaz when he had family problems and needed a new place to stay. They were co-owners of the home, Mr. Scruggs and Mr. Minor. The one gentleman who was the man that made the $65,000 loan and was indicted was indicted for loaning his home to the Supreme Court justice. The other gentleman wasn't.

What were the differences in the gentlemen? Well, one man was one of the top ten contributors to John Edwards for President, a Democrat. One man supported Democrats and trial lawyer issues in Mississippi. He was indicted. He was convicted the second time, and he's spending now, started serving 11 years in jail and was fined $4.5 million, 15 times what was recommended.

The other gentleman, man named Dickie Scruggs, is also a trial lawyer. He wasn't even investigated. He did the same exact thing. He donated a half a million dollars to Republican activity, a quarter of a million dollars to the Bush-Cheney reelection effort, and he, for whatever reason, may have nothing to do with it, he happens to be the brother-in-law of one of our colleagues in the Senate, TRENT LOTT.

So if you look at that case, and it's hard for anybody to look at it and think that there wasn't politically selective prosecutions, which makes

Lady Justice have to turn her eyes and maybe shed tears at what's happened in Mississippi. That's happened in Alabama where a Governor was indicted and convicted of things that ordinarily wouldn't even be investigated.

We've seen U.S. attorneys, Republicans, appointed by President Bush fired because they didn't go after Democrats or they didn't go after voting actions that people in the Republican Party wanted pursued.

So oversight's real important in the Judiciary Committee. We've seen it. And the Justice Department, I mean, that's an area where Caesar's wife should be beyond reproach. Every area of government should be beyond reproach, but justice first. Justice is supposed to be blind, and justice has not been blind, and the work of Chairman CONYERS and his staff and the members of that committee exposed much of that.

This Congress has done a lot of good. The idea that Mr. YARMUTH brought up from the President where he suggested we've been wasting time, that's ridiculous. The fact he's tried to veto bills or has vetoed bills and threatened vetoes shows we've been doing some things that are effective and good.

□ 1845

The minimum wage should have happened years ago. We finally got a minimum wage. The people at the bottom of the economic ladder needed that step up. We passed the minimum wage.

People that need a step up and to start college educations, they got Pell Grant increases, they got the cost of their loans reduced so they won't be saddled with high interest rates in the future on their loans. To help kids get a start and go to a college and to not, when they get out, have a tremendous debt to pay back is important. To be able to have Pell Grant money to give them a better start is important. These are two of the best initiatives that I think we have seen.

When I was a State Senator I worked on college scholarships, and I worked on minimum wage. I am happy to be in a Congress that have seen both of them effectuated and made a change.

We have looked at global warming, we have passed some bills that require renewable energies, and we have looked at bills that will help clean up our environment, which is definitely in jeopardy. And we have looked at the budget. We have put our future generations in debt, this administration and this Congress, by spending, spending, spending, not having a PAYGO bill.

The future of this country is in jeopardy because of the recklessness of the past Republican Congress and this President for spending too much money, sacrificing our goodwill overseas with a foreign policy that has been reckless after we had a President in Bill Clinton who had a balanced budget, a surplus, in fact, and the respect of the world for this country. We have lost the respect of the world, we have lost our budget surplus, and, finally, we have restored a modicum of fairness by giving an increase in the minimum wage, increases to kids going to college, help with health care and work on the environment.

I am very proud to be a Member of this Congress, this class and this Congress, and the differences you see are healthy and good. Rubber stamp shouldn't exist in government. There should be healthy debate. The conflict of ideas produces better ideas. That's why this Democratic Congress is so important to the future of this country.

Mr. KLEIN of Florida. We are very proud to have the gentleman from Tennessee as one of our colleagues and a great contributor to the freshman class, particularly on accountability. There have been so many members of our class that came in with the criticism of our campaigns that we had heard from so many people back home, who is the check and balance? Who is minding the store? What happened to that $8 billion of cash that disappeared on the streets of Iraq? What's with Blackwater? What's with all these kinds of things? Who is checking what's going on here?

You know, it's one thing to say you are going to run things like a business, it's another to do it. Businesses have known checks and balances, shareholders, managers, things like that. Unfortunately, it wasn't happening with this government. It's now changing.

I am very proud of you and the others. I am very proud to have another gentleman with us, the gentleman from Vermont, who has been at the forefront of the committee itself, working with Mr. WAXMAN. I know you have been very vocal on these issues, so I am going to turn it over to the gentleman, Mr. WELCH, from Vermont.

Mr. WELCH of Vermont. Thank you. I really think that everything that the gentleman from Tennessee said is right.

The question that I ask myself at times is how is it, if we have been doing a good job and accomplishing the things that you recited, so many of the American people think we are not doing much at all, or we are doing a bad job? That is a sentiment that a lot of folks have. It's in conflict, in my view, with many of the concrete things that we have done here in the House.

I will tell you what I think it is. Back in Vermont, people are asking me, when are we going to the stop the war, and when are we going to change the priorities of this country so that we are standing up for the needs of average, middle-income families and not just the wealthy, not just corporations who can get legislation passed.

They are also asking the question that Mr. YARMUTH has presented in very stark form, when are we going to reassert our own constitutional authority and be willing to stand up to the President? I am hearing from people in my State, really good people, real Democrats, real Republicans, and they are saying even when Congress is right, it seems that they are not willing to stand up to the President.

I think some of the frustration is that on the war there has been no change by the President, despite the efforts of many of us in Congress, and that's a fact.

Number two, there has been some sense that even when we are right here in Congress, we are not willing to hold our ground.

I want to address both of those.

First of all, on the war, the bottom line reality is that the President of the United States has an immense amount of power. We have article I power, but he has executive power. Despite the fact that the people of this country voted across the country from Vermont to Ohio to Pennsylvania to California and chose a new Congress, and a clear message of that election and decision by the people was that we wanted a new direction in Iraq, the President ignored that election.

He then ignored that March vote of the House of Representatives where we put a date certain on ending the war, August of 2008. Think about where we would be and what kind of optimism we would have in this country if that legislation was signed by the President instead of vetoed.

Then the President, of course, dismissed the advice of retired generals who are critical of the war, and, of course, paid no attention whatsoever to the Iraq Study Commission. I have come to the conclusion that the President is not at all going to bend, no matter what, and we have to be willing to fight that battle with him day in and day out.

Second, on the priorities, there is good news. I mean, this House, oftentimes with a bipartisan vote, has shifted the priorities to middle-class needs. The minimum wage was raised. The student loan cost of interest was cut in half. Prescription drugs are going to be negotiated, price negotiations so we can lower the cost, make it more accessible to seniors, less costly to taxpayers.

All of this we did by returning to pay-as-you-go principles, so we are not going to bankrupt future generations. The largest increase in the veterans budget in the history of the country.

All of that is important. It reflects that we are actually walking the walk of trying to change priorities. It's not getting out into the public either because it can't get through the Senate or it gets vetoed by the President.

We are going to be talking, I guess, a little bit about children's health care. But that's an example where it was the right thing we did to insure 10 million kids in this country. The President vetoed it. We made some minor adjustments, not nickel and diming about which kids we take off of health care, passed it again, and we will be sending it back to the President. I think that's the type of thing that we need to do.

But I also do believe that any time this Congress has an opportunity to hold its ground and essentially embrace and accept the responsibility that the Constitution gives this Congress under article I, we have to do it, whether it's on war funding, when we believe we are right, we have to be able to weather the storm; whether it's on budgets that are going to get vetoed when those budgets reflect the bipartisan consensus in this body that they meet the needs of average people, and that they comply with our obligation to pay our bill as we go.

There is good news, but we also have to acknowledge that there is much more fighting to be done, and that it's time for us in the right circumstances to hold our ground, to be willing to weather the storm of criticism that will come from the White House machine and to stand up for that change and direction that I believe the people of this country voted for in November.

I thank the gentleman from Florida.

Mr. KLEIN of Florida. And thank you, Mr. WELCH. It really was very well explained and easy to follow. I think what people in this country respect is the fight. The fight is good, but at the end of the days, results. The President has made it very difficult, unfortunately. He has been unwilling to come out of his corner. A lot of alternatives have been offered on the war, a lot of alternatives have been offered on SCHIP which we are going to talk about in a minute, a lot of alternatives.

As we have talked about already, there have been a lot of accomplishments, student loans, minimum wage, people competing in business. We have had a lot of good things so far which the President has signed, which is good. But there is more to do. We need to get him sort of out of the view that it's him versus the Congress, or his ideology versus the rest of the country. People want consensus. They want solutions.

I would like to turn to Mr. Solution himself here, because Mr. ELLISON from Minnesota has really totally been bringing a lot of consensus on a whole lot of issues, from our foreign policy issues to our domestic issues. I want to bring you into this conversation and please add some value to it.

Mr. ELLISON. Thank you, Congressman KLEIN. Whether it be from Colorado to Vermont, from Kentucky to Tennessee, to Minnesota, to Florida, no matter where we come from, this freshman class that we belong to is here to stay and here to say, very clearly, that we are reclaiming the coequal branch of this legislative body in our constitutional framework. We don't have another branch of government which we take orders from. We don't have to prove patriotism by servile behavior towards the executive branch. We stand up with doing our constitutional responsibility, and our only boss is the American people, not the President, not the courts.

Article I states, all legislative power herein granted shall be vested in the Congress of the United States. Part of that power is, of course, passing laws and, of course, all of you, my fine colleagues, have made it clear that we have been productive, we have been busy, we have been putting up the fight, and we have been passing legislation that this President should sign and, in fact, in many cases has signed. But we have also done something else which I am proud of, and that is provided oversight. We have subpoenaed people and made them come to these hearings. We have asked people the questions, the tough questions, and made them give forth the right answer.

Why, on the Judiciary Committee just this week, we had Mr. TANNER, who is the section chief of the voting section. He offered the opinion that, actually I wish I had it written down, because I don't want to get it wrong, but he offered the opinion that voter ID bills may affect seniors because they live longer, but when it comes to minority seniors they die, so it doesn't really matter for them. Chairman CONYERS issued that request for him to come to that committee, and we asked him questions about voting rights. We asked him about how that department was being run. We asked him the tough questions that Americans expect us to ask.

But that's not all. Chairman NADLER of the committee has had constitutional hearings, and we have had people come in and talk about important issues, and, of course, Representative COHEN has been there as well, on Guantanamo, on habeas corpus. These are the kinds of things that Americans are concerned about because America will never be a place where we give up on our constitutional protections and our civil liberties.

I just want to say that I am so proud to be a Member of this freshman class that is not only passing legislation, not only standing up for its right as a coequal branch of government, but is calling people on the carpet and asking the tough questions as it is our job to do. The American people expect us to say, What's going on? Tell us what's going on. What have you done? Why have you done it?

That is our job, and we will continue to do it, because we don't work for anybody but for the American people. Not the judiciary. Not the executive branch. We are enshrined in article I of the Constitution, coequal branch of government, that branch of government in which all vested power to legislate is inside of us.

Mr. KLEIN, I want to thank you for conducting yet another excellent freshman hour.

Mr. KLEIN of Florida. Thank you, Mr. ELLISON.

Just to follow up on the point, a number of our colleagues have been talking about the idea of oversight and accountability. Well, the simple answer is not just for the exercise of bringing people in by subpoena or asking them to come in and talk, it's to learn from your mistakes.

It's a very simple principle. What do we teach our children? Learn from your mistakes. What do you do in business? You want to learn from your mistakes. That, of course, is what the whole purpose of this is. If we see something has gone wrong, accountability, some bad business practices that the government is involved with or paid for something they shouldn't have paid for, let's not let it happen again. That's the simple bottom line.

I would like to shift, because many of our Members are interested—thank you, Mr. HODES, otherwise known as Vanna White—Mr. HODES is holding up a little poster here which talks about the children's SCHIP plan. The SCHIP plan, as I think everyone is now familiar with, or many people are in our country, or certainly Members of Congress are, it's about making sure that children, low-income children can participate in a health care plan that's private health insurance.

It makes the parents pay on a sliding scale what they can afford. It leverages tax dollars. It does everything it's supposed to do. Our business community back home in my area loves it. It's very popular because instead of kids going to the emergency room, they are going where they should go, and that is to get doctor and preventative health care.

We have had a bipartisan plan that has now been passed twice out of this chamber, and the President vetoed it one time, and I guess he is going to veto it again, but bipartisan, Democrats and Republicans coming together, not everybody, but all the Democrats, I think, just about all, and many Republicans.

In the Senate, I think the Republicans are the ones who helped draft this. It really brings it together. A quick little fun thing on Halloween here, it talks about the trick-or-treat and the Republican plan, we are just sort of joking around a little bit, but we are calling it the trick, and the bipartisan plan the treat.

The Republican plan, which we are calling the trick, covers 8.3 million children. The treat, the plan that most of us are pushing, Democrats and Republicans, covers 10 million. This is an additional number of children that we believe are part of this plan that we want to get covered.

The targeting of low-income kids, in the Republican plan it targets fewer lowest-income children. In the Democratic plan, the one we just passed, it enrolls the lowest-income kids first, a goal that we all want to make sure that we are covering.

□ 1900

And of course there is a cigarette tax in both plans, the exact same cigarette tax to pay for it. The question though is, if the same amount of money is being raised, why are we covering 10

million in the Democratic bipartisan plan and we're only covering 8.3 million in the Republican plan? Where's the money going? So we obviously want to have the lowest taxes possible, but we want to cover the most number of children. And I know that that's something that I know the president of our class has been very interested in.

I know that Mr. PERLMUTTER from Colorado has joined us in our freshman class, has taken a lead in, and I know your experiences in Colorado. Maybe you can share some of your thoughts on the SCHIP plan with our group here in the Chamber today.

Mr. PERLMUTTER. And I thank my friend from Florida. This is a place where the Democrats and Republicans have come together to look after kids from hardworking families across this country. This is not something that is just given out, and it doesn't make any fiscal sense or anything else. This is for people coming from hardworking families where the kids don't have insurance. And instead of going to the doctors, which is the most fiscally prudent way for a kid to be treated, they have to go to the emergency room, and at the emergency room, then, we, the taxpayers, pick up the bill. It's the most expensive form of medical care we could have. So it makes utter sense that we provide insurance to 10 million kids across this country from hardworking families so that they don't have to go to the emergency room, so they can go to their doctor, get proper treatment. But that just doesn't seem to be acceptable to the President of the United States.

Here we are wanting to bring change. We promised our constituents that we were going to change the way this Nation's being run, and one of those places is providing insurance in a prudent fashion for kids from hardworking families. But we have a President who wants the status quo, does not want to assist the hardworking people in the middle, and those are the folks that make up my district. It's not a rich district. It's not poor. Financially, it's right down the middle and people are struggling. And one of the first things to go when you're putting food on the table is insurance. And we want to make sure that 10 million kids have that insurance in this country. We passed it once; we passed it twice. This President says he's going to veto it again. He's about the status quo. He calls himself prudent fiscally, a fiscal conservative. Just the opposite, ladies and gentlemen, just the opposite.

So my friends, you know, we came here to change the direction of this Nation. We passed a stem cell bill which would have provided relief to millions of people across this country or hope for them who have debilitating diseases. We passed the SCHIP bill for 10 million kids.

But this President, he doesn't want change. He wants things as usual. He wants Washington to run as usual. We are going to keep knocking on his door until we change the direction of this Nation. And I'm happy to be part of a class that is going to fight every day to do the right thing for our constituents and for the future of this Nation.

And with that, I'll yield back to my friends from Florida or Minnesota or New Hampshire, although he's not my friend, because I lost a bet on the Boston Red Sox game. But I would yield back to my friends.

Mr. KLEIN of Florida. The Colorado Rockies were playing. That's right.

We're going to turn it back to the gentleman from Minnesota to get some thoughts on SCHIP and other things.

Mr. WALZ of Minnesota. I appreciate it, and I appreciate the passion from my friend from Colorado. And he's exactly right. When we came to this Congress with a debt that was skyrocketed, no accountability, a President who said he was the decider and a Congress here that thought that their job was to just be an echo chamber for this President, much has changed. Unfortunately, the President doesn't realize that yet, and that's why we get a lot of gridlock that's happened.

But the gentleman brought up some very interesting points considering SCHIP and this idea of funding. I think that one of the issues that many of us agree on here is fiscal responsibility is an absolute priority because, unlike the previous Congresses, we understand that there will be a day of reckoning, and it will come for our children and our grandchildren. And it's putting this country in a position where I read an article here out of the Hong Kong Standard talking about where places around the world, when you would travel, and many of us have, where taxi drivers and store owners would take the U.S. dollars, they're no longer taking that. They're saying no because our currency is now seen as something that's not as stable, a nation that's in debt, a nation that's seen as a rogue nation to people. Those are the types of things that this administration did mainly because of what Mr. YARMUTH and the other members of this class have said, we did not exercise our right.

And as far as SCHIP goes, when we create a budget, and we want to balance this budget and we will, we understand it's far more than a fiscal document. It's also a reflection of this Nation's values and morals. And this issue of trying to cover our children, and I've heard my Republican colleagues say this is an attempt to expand coverage, to make it socialized or nationalized medicine.

Well, my colleagues have no real plan how to deal with this. They continue to pull this up. The bottom line here is the richest, most prosperous, greatest Nation this Earth has ever seen is leaving children uncovered. But it gets worse than that.

A Harvard study that recently came out shows one in eight of our veterans are not covered by health care insurance, those who have served this Nation most honorably. This President has decided when he had fiscally irresponsible budgets, we couldn't balance the VA budget, the President simply made a great decision here. He cut off 400,000 veterans, sliced them off the bottom by saying they don't qualify. These could be combat veterans in my district making $27,801. They are not injured in combat and they make too much money. Well, all of us know that's not going to buy you health insurance.

So this issue of SCHIP, this idea of trying to cover our veterans, what this President fails to realize is the values of the vast majority of people in this Nation that sent this class to Congress are not the ones he shares. And the talk of, we can't afford this, while telling our Judiciary Committee and our Oversight Committee that we can't ask questions about no-bid contracts and billions of dollars lost is unacceptable. And it is unacceptable because it stops in this Chamber. We are here to represent the districts of the people that sent us here, and we have an obligation by article I to fulfill those.

So this issue of SCHIP is not the smoke and mirrors you're hearing. It's, bottom line, covering our children. The issue of VA funding is simply, bottom line, X number of veterans, X number of costs this Nation should provide it. If you choose not to do that, then have the courage to tell the American people you are more interested in a tax cut to the top 1 percent than caring for children and veterans. But we won't hear that because this is about elections. This is about a vision of America that extends to next November.

This group gathered here tonight is about a vision of America that extends to the next generation, one that once again puts us in our rightful place.

So I couldn't be more proud. The gentleman from Florida has been a longtime advocate of caring for those in our society, the least fortunate, as well as making a fair society and growing opportunities. It's what we're all about. The old used-up cliches don't resonate with the public anymore. The old used-up cliches are nothing more than a way to try and hold on to a political ideology that is dead in this country, and it's time has passed. And we are once again here to reassert that.

So with that, I yield back to my esteemed colleague from Florida and look forward to the rest of our conversation.

Mr. KLEIN of Florida. Thank you very much, the gentleman from Minnesota.

We have a very, very special guest today, an honorary member of our freshman class, a senior Member of the Congress, the gentlewoman from Texas, Ms. SHEILA JACKSON-LEE, who'd like to join us and add something to our conversation.

Ms. JACKSON-LEE of Texas. Well, my first act is to give my greatest appreciation for this caring and vested freshman class, front liners, front

thinkers, front runners running toward the next generation. I cannot thank you enough for joining this Congress with one mission, and that is that we are, servants of America.

And I've asked today, officially, on the record, to get that article I pin, and to reemphasize the language that my good friend has before him by just holding up the Constitution and reinforcing the language that all powers herein granted shall be vested in the Congress of the United States, which shall consist of the Senate and the House.

And I just want to speak, somewhat weaving in to this idea of veterans and the war in Iraq and why we have the ability even to address that question of the Iraq war, because as my colleagues know, there was never a constitutional declaration of war. It was statutory. That was in the fall of 2002 when, by public law, we gave the President simply an opportunity to negotiate and then ultimately, if necessary, to use force.

So I raise the question, because Congress has, in some sense, been stifled by others not thinking the way the American people have asked us to think and act, and that is to focus resources on veterans, on the domestic agenda, and to be able to say that we have, in essence, finished our job in Iraq.

And so I wanted to offer to my good friends H.R. 4020 that the chairman of the Veterans Committee has joined me in offering, or introducing, which calls itself the Military Success Act. And of course all eyebrows will be raised. Sounds conflicted. But I thought and thought about this, and I continue to hear the terminology, cut-and-run, not willing to support the troops. So we went to the Pentagon, and in this legislation we chronicle all of the successes of the United States Military, in particular in Iraq. We do it in Iraq and not Afghanistan because that's an ongoing mission. We know that there's more work to be done there. And we come to a conclusion, and I'll just briefly read this: That the public law that we voted on in 2002 authorized by the President to use military force against Iraq, it goes on to list the indicia or the points of that bill. And it concludes by saying, according to that public law, we believe that, in fact, all of this has been achieved. A simple statement. It doesn't follow up by saying, come home. Of course, that's what I would suggest once you read a statement that says all that you were asked to do, the United States Military, you've achieved it. And we finish this up by calling on America to have days of proclamation and ribbons, and as these soldiers come home, unlike Vietnam, that we actually have days of recognition for those soldiers. And ultimately it finishes, because I heard my distinguished colleague speak of veterans, by giving these returning soldiers a $5,000 stipend.

Now, this does not leave out Afghanistan soldiers. This really appeals or deals with the whole idea of the fact that their mission is completed. We do it in a way to call it a military success. And we know that there are many other things that need to be done. But what that does is it gives Congress the power to make its own statement that the initiative that we voted for, statutory, the public law in 2002 that gave powers is now being brought to an end, that we, as a Congress, are saying that we applaud our military, and those resources that are now being used for the war, $120 billion, can be used for SCHIP, can be used to fix Medicare.

I sat down with some seniors who wanted us to fix the prescription part D. They said, Can you help us? Can you get back in there and help us to understand it?

And then of course, what it does, it honors our soldiers. It dashes this whole cut-and-run, this whole accusation of being nonpatriotic.

And so I thank my colleagues for letting me present H.R. 4020 in conjunction with the recognition of article I. This bill was introduced today. I encourage my colleagues to sign on. We think that it has a very important statement as to the authority of the Congress and the responsibilities of the Congress to control a statute that it gave powers, and seemingly the President is not willing to acknowledge that the task and the job is well done on behalf of the United States Military in Iraq. We can do better, and I think the American people are waiting for the article I-ers to take charge so that we can get back on our agenda of serving the American public.

I thank you for giving me the opportunity to join an important debate. I look forward to the article I pin.

And finally, I hope that the American public will get it, knowing that the Congress has to have the authority to go forward on their behalf.

This legislation, the ''Military Success in Iraq Commemoration Act of 2007,'' recognizes the extraordinary performance of the Armed Forces in achieving the military objectives of the United States in Iraq, encourages the President to issue a proclamation calling upon the people of the United States to observe a national day of celebration commemorating the military success of American troops in Iraq, and provides other affirmative and tangible expressions of appreciation from a grateful nation to all veterans of the war in Iraq.

As I have stated many times, ''when our heroic young men and women willingly sacrifice life or limb on the battlefield, the nation has a moral obligation to ensure that they are treated with respect and dignity. One reason we are the greatest nation in the world is because of the brave young men and women fighting for us in Iraq and Afghanistan. They deserve honor, they deserve dignity, and they deserve to know that a grateful nation cares about them.''

My legislation, the Military Success in Iraq Commemoration Act of 2007, H.R. 4020 pays fitting tribute to the valor, devotion, and heroism of those who fought in Iraq in the following ways:

A. Provides an express acknowledgment by the Congress that the objectives for which the AUMF resolution of 2002 authorized the use of force in Iraq were achieved by the Armed Forces of the United States, which performed magnificently in battle;

B. Recounts several notable achievements of the Armed Forces in Operation Iraqi Freedom;

C. Authorizes the President to issue a proclamation calling upon the American people to observe a national day of celebration commemorating the Armed Forces' military success in Iraq. This will help ensure that the Iraq War does not suffer the fate of other open-ended engagements like the Korean War, which is often called the ''Forgotten War'';

D. Authorizes funds to be appropriated and awarded by the Secretary of Defense to state and local governments to assist in defraying the costs of conducting suitable ''Success in Iraq'' homecoming and commemoration activities and in creating appropriate memorials honoring those who lost their lives in the war. Many of the casualties in the Iraq War come from small towns and villages in rural or economically depressed areas. The local governments are already facing substantial fiscal pressures and need help coming up with the necessary; and

E. Creates a program and authorizes funds to be appropriated pursuant to which the Secretary of Veterans Affairs shall award to each veteran of the Operations Iraqi Freedom and Enduring Freedom a grant of $5,000 to facilitate the transition to civilian life. We don't want veterans to end up homeless or unemployed or unable to take their kids on a vacation or start a business. This $5,000 bonus is but a small token of the affection the people of the United States have for those who risked their lives so that we may continue to live in freedom.

Outside my office there is a poster board with the names and faces of those heroes from Houston, Texas who have lost their lives wearing the uniform of our country. It is humbling to recognize how lucky we are to live in a nation where so many brave young men and women volunteer knowing they may be called upon to make the ultimate sacrifice so that their countrymen can enjoy the blessings of liberty. The intent of my legislation is to pay fitting tribute to these great men and women and to let them know they will not be forgotten. I request and welcome your support in making this message heard.

Mr. KLEIN of Florida. And I thank the gentlewoman from Texas. This is exactly what this Congress is doing. It's coming up with a lot of new ideas that need to be put out there, debated, discussed, and hopefully passed. And I'd like to turn it back over to Mr. Article I himself, the gentleman from Kentucky.

Mr. YARMUTH. I thank the gentleman, and I have a button for the distinguished gentlewoman from Texas, and I look forward to giving it to her. I thank her for endorsing the type of emphasis that we're trying to place on this very important discussion of the balance of powers in this country.

You know, there's another element to this whole question, a balance of powers, and it really is reflected in the debate over the SCHIP program. Because while we debate, on the one hand, the actual legislative powers and

how we might enforce those through the courts and so forth, there's another competition going on, and it's the competition that goes on in the media and in the public dialogue. And here is where there is an inherent advantage for the executive branch. And I think part of the reason why, over the last few decades, the executive branch has been able to accumulate far more power than the Constitution and the Founding Fathers envisioned was because it is much easier for the President of the United States to use the bully pulpit, as we call it, and dominate time and the news media and the television, and it's much harder for the Congress to do that since we are a body comprising 535 men and women.

□ 1915

But what's interesting about it is that when you use the bully pulpit and when the President uses the bully pulpit, you hope that he uses it in an honest way, and, in fact, in this debate what we have seen is a performance that has actually been very insulting to the concept of a pulpit, I think, because what this President has done is used his bully pulpit, his media access, to deceive the American people about what we are doing and what he intends to do.

For instance, he is constantly saying that the proposal, the legislation that we passed would enable families making $83,000 a year to access the SCHIP program. No families making $83,000 were authorized to make it or, in fact, ever found access to the SCHIP program. The only way that a family making more than double the poverty level can get entrance and access to the SCHIP program is if the executive branch gives them a waiver. In fact, the State of New York asked the President for a waiver. He declined it. So for him to then say under this program people making $83,000 would be eligible for SCHIP is not only not true, it is deceitfully dishonest. And, actually, if you talk about what he has done, he has the power, which we delegated to him, he has the power through the executive branch to waive some of these requirements.

And that goes back to the interesting thing about this entire debate. In 2004 during the Presidential campaign, President Bush actually campaigned for an expansion of the SCHIP program. He loved the SCHIP program. He applauded it when he was Governor of Texas and he wanted to expand it. Now what does he do? Because it's not a Congress dominated by his party, he wants to change his perspective. He's changed his perspective as to whether the States should have waiving powers, which he wanted the States to have when the Congress was run by the Republicans. Now that Democrats control the Congress, he wants there to be Federal standards which he controls.

So this is not just a battle of power internally in the Congress and through the courts but also one that we have to fight in the media. We are at a disadvantage, but I hope it is discussions like this and people who are not afraid to be outspoken and point out dishonesty and deceit when they see it that will help us even the playing field in terms of convincing the American people that not only does this Congress have the power, by virtue of article I, to make all legislative decisions, but it also has the moral foundation and the integrity to do what's right for the American people.

Mr. KLEIN of Florida. I thank the gentleman.

We are down to our last couple of minutes, so I'm going to turn it over to Mr. HODES and then Mr. COHEN if you want to wrap it up.

Mr. HODES. Thank you, Mr. KLEIN.

What we are talking about here really is the moral compass of our Nation. We have a stark choice before us. There is a huge difference between what the President values and what the American people value.

To the President and his allies, $190 billion for a failed war is a necessity, but $35 billion to give our kids access to doctors is some kind of extravagance. And that really talks about the values that are at play here. Are we going to value and speak up for the people of this country, or are we going to let the President assert values that we in this country don't agree with because we value kids?

Now, there is a President, a former President who really said it best because we here in Congress are no longer simply going to enable this President to take power which should not be his. We are going to reassert, in these conversations and in our conduct, the power that rightfully belongs to the Congress and to the people. Because as Abraham Lincoln said, when we were engaged in the midst of a great civil war that was to determine the fate of this country, he talked about government of the people, by the people, and for the people.

That's why we are here tonight. That is why we were sent to Congress. To reassert that this government is a government of the people, by the people, for the people. And while we are on this watch, it shall not perish, and we are going to stand up to this President and we are going to have some checks and balances in the United States of America.

Mr. COHEN. Thank you, Mr. KLEIN.

I think when I first addressed this group and, Mr. Speaker, I mentioned how proud I was to be a Member of this body and this class, and I think the people who have listened to this discussion realize why I'm so proud to be a member of the class. The talent is here, as some people have State legislative experience, some come straight from the private sector, and each brings a different perspective but a concern for the people and a concern for change and direction of this country and for the middle class.

Mr. HODES talked about Ms. Miers and Mr. Rove not obeying the subpoena that was issued for them to come to testify before the Congress. This Congress is looking at having a contempt charge brought against them, which I think we should have done earlier. We need to have a contempt charge brought, and we need to have them be punished for their contempt of this Congress, which, in essence, is a contempt of the American people and a contempt of the Constitution and of all things good that the American people stand for.

I am proud to be a member of this class, to support SCHIP, for health care for children and for all Americans.

Mr. KLEIN of Florida. I thank my colleagues for being here this evening.

We do this once a week. We're looking forward to seeing you all next week and having this continuation of discussion. And, of course, we look forward to working with everyone in this country to make sure that we resolve and come to some successful conclusions on some of these issues that are so important to our country.

THE OFFICIAL TRUTH SQUAD

The SPEAKER pro tempore (Mr. ELLISON). Under the Speaker's announced policy of January 18, 2007, the gentleman from Georgia (Mr. PRICE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PRICE of Georgia. Mr. Speaker, it is indeed a great privilege and honor to come back to the floor of the House and present some alternative views, some views that I hope are more grounded in truth as this is another edition of the Official Truth Squad. We've heard some interesting comments over the last hour and over the last few days and weeks and months. So, Mr. Speaker, it is indeed an honor to be designated by our leadership to come and share some words with this Chamber.

I would first comment about the relative tone and the divisiveness of the language that we have just heard. It just astounds me that people think who come to Washington that our constituents want us to be divisive. When I go home, what I hear from folks is that they want us to work together, that they want us to work together positively for solutions. So the class warfare debate that we have just experienced over the last hour is truly remarkable, as one Member talked about the spirit of Lincoln, a proud Republican, and what he brought to our Nation. A government of the people, by the people, and for the people is what he championed. He also championed an end to class warfare. So I would encourage my colleagues to read further in history and to expand their vision of what it is that their constituents truly want. And as I mentioned, Mr. Speaker, my constituents, our constituents, I think, want us to work together.

This is the Official Truth Squad. This is a group of folks who come to the floor and have an opportunity to address our colleagues and hopefully

bring, over the course of an hour, a little brighter perspective, a little more upbeat perspective, a little more optimistic perspective, and, hopefully, a little more truthful perspective because so often what happens on the floor of this House during the course of our debates is that the truth tends to be swept away. And, again, that frustrates our constituents. It frustrates my constituents, I know, when they ask why we can't stick to the facts, stick to reason as we try to solve the significant challenges that confront us as a Nation.

I have a number of favorite quotes. One of them is this one from the late United States Senator from New York, Daniel Patrick Moynihan. He said, famously, ''Everyone is entitled to their own opinion, but they are not entitled to their own facts.'' Another one of my favorite quotes is ''Imitation is the most sincere form of flattery.'' So I was so pleased when I heard either the Speaker or the majority leader say just this in a debate recently, and I would ask my colleagues on both sides of the aisle to heed this. Everyone's entitled to their own opinion, and you ought to state so, and that's appropriate. But you're not entitled to your own facts.

So tonight, Mr. Speaker, we're going to share a few facts with our colleagues, and I am going to start by bringing a couple of quotes from a true American institution. Certainly the ''Tonight Show'' is an American institution. The current host of the ''Tonight Show,'' Jay Leno, oftentimes crystallizes in just a very humorous way what the American people are thinking. So I thought it would be appropriate to share with our colleagues, Mr. Speaker, what Jay Leno has said over the past couple of days. This is about the state of Congress right now. As you know, Mr. Speaker, the numbers for Congress aren't great right now. I would again encourage my colleagues to try to use the sense of what the American people are saying as a positive impetus to have us move forward together in a commonsense, positive, upbeat, principled way that reflects the will of our Nation.

But Jay Leno said the other day, ''And our new Democratic Congress, remember, they promised longer workweeks. Well, now they announced they're going to a 4-day workweek. I guess they realized they don't need a full 5 days to do nothing.'' It was alluding to the fact that really not much has gotten done in these first 10 months of this 110th Congress under the new leadership. And it hasn't for a variety of reasons. We will talk a little bit about that tonight. But I would suggest most clearly, Mr. Speaker, that it hasn't because this new majority seems to be unwilling to work together on behalf of the American people. SCHIP is a classic example, and our colleagues mentioned that, and we will talk a little bit about that tonight.

Jay Leno also said just 2 days ago, ''The Democrats in Congress have announced they will now be taking Fridays off. Apparently they were getting worried their approval rating was getting too high.'' As I mentioned, Mr. Speaker, the approval rating for Congress is not great.

And that troubles me. It should trouble all of us. It troubles me because I think that what the American people are seeing when they look here to Washington, when they look to the Speaker and to the leaders that are running this Congress, they see an institution and they see a group of leaders who are not willing to work with each other. And for those of us who are less than senior Members, certainly in the minority party at this time, it is very distressing because we came here, all of us came here, to solve problems. I oftentimes encourage my colleagues to go back and read their first piece of campaign literature in their first campaign because I think, Mr. Speaker, that speaks to the goals and the vision and the dreams that we all had when we came to Congress.

But as you know, Mr. Speaker, a recent Zogby poll found that for the second month in a row, this Democrat-led Congress's approval rating was 11 percent. Now, why is that? Well, I think if you look at the bills that have been passed through this Congress and signed into law, there have been 107 of them so far, Mr. Speaker, 107 bills. Now, you might think that that would be a grand accomplishment, and I suspect that it is on one measure. This new majority touted the fact that they have had over a thousand votes. What they didn't say is that the vast majority of those were procedural votes. They were determining how the bills ought to move forward, oftentimes in significantly noninclusive ways. But 107 bills have gone through the House and the Senate and signed into law by the President. So I thought it would be helpful to kind of break down those 107 bills. What were they? Were they wonderful solutions, as have been proposed, to children's health insurance? Were they wonderful solutions to health system reform? As a physician myself, I believe so strongly that we need significant, positive, patient-centered health system reform.

□ 1930

Was that one of the bills that was signed? Was controlling the crisis that we have in the area of illegal immigration, was that one of the bills? Well, regretfully, Mr. Speaker, as you well know, it wasn't.

In fact, of 107 bills signed into law, 47 of those bills named post offices, courthouses or roads. Now, those are important things to do, and certainly when we name and honor individuals with the naming of a post office or a courthouse or a road, that's an important thing to do, but it ought not be something that the majority party brings forward and champions as a grand accomplishment. I haven't looked at what the votes were on those 47 bills, but I suspect that, by and large, they were unanimous. I will just take a wild guess, Mr. Speaker; I suspect that the vast majority of those were unanimous.

So, 47 of the 107 bills signed into law were naming post offices or roads or courthouses. Forty-four of the bills were noncontroversial measures that were either sponsored by Republicans or they passed overwhelmingly. And those are the kind of routine things that you've just got to do to keep the trains running on time here.

So, 47 naming post offices or other buildings; 44 were noncontroversial. Fourteen of the remaining 16 were to extend preexisting laws or laws that had been passed during the Republican-led Congress. Now, that means that there were only two left out of that whole 107 bills that were signed into law. In fact, I would suggest, Mr. Speaker, that these were the two most important bills. One of them was the extension of the Foreign Intelligence Surveillance Act, and we'll talk a little bit about that. But to keep our Nation safe, one of them was that bill. That passed. But as I note, Mr. Speaker, that passed over the objection of the leadership of the Democrat Party.

So, one of the most important things we've done, in fact, probably one of the two most important things that we've done, passed over the objection of the leadership of the Democrat Party, the majority party. The other bill that passed was the supplemental to provide appropriate resources for our troops.

So, Mr. Speaker, not an opinion, but a fact is that we have, yes, we have, indeed, had over 1,000 votes. And the majority party is very proud of that, and maybe they should be. But when you look at the number of bills that have passed Congress, 107, 47 of those were to name post offices or buildings, 44 were noncontroversial, 14 were to continue previous law, and two, the two most important, the Foreign Intelligence Surveillance Act and the appropriate resources for our troops in Iraq and Afghanistan, passed over the objection and the vote of the majority leadership, the majority of the majority leadership.

So, Mr. Speaker, I'm not sure that's something to champion, but I will tell you that I believe that's part of the reason that the American people say, ''What's going on? What's going on up there in Washington? Can you all please work together on behalf of the American people?'' which is what I believe and my colleagues, I know, believe we ought to do. In fact, many of those things would be very, very humorous if they weren't so doggone serious. We are in challenging times, Mr. Speaker, and I would suggest and encourage my colleagues, frankly, on both sides of the aisle to put positive issues out there and work together as we move forward.

One of the bills that we heard from our good friends on was the SCHIP bill, the State Children's Health Insurance

Program, and I will be joined by a number of colleagues tonight to talk about that. I would just like to say that as a physician who practiced in the northern side of Atlanta for over 20 years taking care of kids, I take personal offense to anybody who says that those of us who have not supported so far the State Children's Health Insurance reauthorization bill don't care about kids. Clearly, we care about kids. I spent my entire professional life caring for kids.

The other side says, well, 81 percent of the American people want SCHIP. Well, they do when you ask them the question, do you support the State Children's Health Insurance Program? And I ask that of my folks when I go home and have meetings and talk to Rotary Clubs and other kinds of groups. And I have asked them over the past 2 or 3 months, do you support renewing the State Children's Health Insurance Program? And sure enough, the vast majority of the people raise their hand, and as well they should. And I ask them to keep their hand up. And then I said, now, would you support that bill if you knew that poor kids were not going to be taken care of before kids in wealthier families? Put your hand down if you wouldn't support that bill if you knew that kids from higher income families would get insurance paid for by the taxpayer before lower income kids. And about one-third or so of the hands come down; still a number of hands up there. And I say that because that's what is in the bill that the majority party passed and that was vetoed by the President, and then we sustained that veto.

And then I say, well, now, would you support that State Children's Health Insurance Program if you knew that it also covered childless adults? And a number of other hands come down. And I don't make that up. I ask that question because that's in the bill. Now we've got about one-half or maybe one-third of the folks still raising their hand saying they would support the bill. I say, now, would you support the bill if you knew that 2 million kids would be forced from private personal health insurance onto public, State-run, government-run bureaucratic medicine? And you get almost all of them coming down at that point. They've kind of gotten the clue that in the fine print in the bill, it's not what they've been led to believe.

And then I ask them, well, would you support the bill if you knew that in order to make the funding work, you would have to have 22 million new smokers in America because it's paid for by tobacco tax, would you support it now?

Well, Mr. Speaker, I don't have to tell you the results of this unscientific poll. But the fact of the matter is, not an opinion, but the fact of the matter is when I get through outlining what was in the bill, there isn't a hand left. There isn't a hand still raised that said they would support that bill.

And so, Mr. Speaker, that's why the numbers have come down. In the length of time that the majority party has been demagoguing this issue and trumpeting out their radio ads and their television ads across this Nation, what has happened is that the American people have recognized that the story that they were being told by this majority party, the Democrat leadership, was, in fact, not the truth. It may have been an opinion; it certainly wasn't the truth.

And so now what we see is 55, 60, 60-plus percent of the American people saying yes, we want to help poor kids, absolutely, that's appropriate. And we'll talk tonight about how we should do that, a positive message, an upbeat message, an optimistic message, a message that says, yes, Americans are generous, we know that, and they believe that, in fact, there is a better way, there is a better way to do business here in Washington, hopefully to raise those numbers. There is also a better way to fashion a bill that would provide health insurance for low-income kids.

So I am pleased to be joined tonight by a couple of colleagues, my good friend from New Jersey, who certainly knows fiscal issues as well as the issue of State Children's Health Insurance Program. I look forward to your comments this evening and yield to my good friend Mr. GARRETT.

Mr. GARRETT of New Jersey. I thank the gentleman from Georgia for heading this program tonight to bring about the Truth Squad, which when I'm not here on the floor, I'm in my office turning on C–SPAN to make sure that I can find out the latest of what the actual facts are, because we can't always be assured that we hear them correctly from the other side of the aisle.

Actually, that's where I want to begin on this one. I was tuning in as I was doing some work at my desk for the last 10 or so minutes of the other side of the aisle, and I was a little bit amused by their closing comment. They seem to be chagrinned by the fact that they don't have the opportunity to get the message out, if you were listening to them, that the President seems to be able to have the bully pulpit and be able to get the record straight out to the American public, and they don't. I had to scratch my head at that time because I thought, well, gee, doesn't the Democrat Party now control both this House, isn't NANCY PELOSI now the Speaker of this House? Isn't HARRY REID now the lead in the Senate as well? I thought the Democrat Party was the majority party.

And I know that every time that I leave this Chamber during the day there are microphones out there waiting for speakers to speak. And they're not coming to me to ask for comments; they are looking to the Democrat majority. So I think they were a little bit flippant or disingenuous, if you will, when they're saying that they're not able to get the message out. I think what they are really saying, though, is the message that is getting out is not a truthful message, and some of the points that you've already made.

And if I may just touch upon a point or two here. If you go back in time a little bit to when President Clinton was in office, he laid out the groundwork of what his vision was for health care in this country. He told us where he would like to take this country and maybe where his wife would also like to take this country when it comes to health care. And he said that he wanted government-run healthcare. He wanted universal, socialized, Washington-controlled health care. And how would you get there, he said? Well, he laid it out in plans; he put it out in a book, almost, for us. He said, you get there not overnight, although I guess HILLARY CLINTON tried to do that, but he said, no, you get there incrementally. First what you do is you insure the indigent children, then you will insure all the children, and eventually you will insure all the adults as well. And what does that bring you to? Well, that's socialized, government-run and controlled health care. Now, that may be something that he would like and maybe a small segment of this country would like, but when I go back to my constituents, they remind me that Washington government may not be the most effective and efficient entity in the entire world of delivering services. They remind me of what happened back when Katrina occurred and we had FEMA step in to try to deliver services, and it was abysmal. They remind me continuously, regardless of which party is in control, earmarks, and we can talk about that ad nauseum later on probably, about the waste, fraud and abuse when it comes to spending their hard-earned dollars on earmarks.

They remind me, also, some of them who were trying to leave this country during this past summer for a summertime vacation and they found out that they needed to get a visa in order to do so. And they could not get their visa even though they put in their request one, week, two weeks, three weeks, eight weeks, nine weeks in advance. A very basic function of the U.S. government to supply visas to people, and they couldn't get them on time. They remind me that the government couldn't even do one of their basic functions.

They remind me, finally, when it comes to what is one of the most seminal issues when it comes to any government, and that is to protect your borders, and they say, you know, Congress, here under this majority, can't even get that issue resolved and done. We can't get the money to the border security guards. We can't get that fence built along there. If the government can't do those functions, they ask me, why in the world do we want to turn over our control, life-and-death

situations, really, and you're a physician, you know this, to an entity that can't run the functions that they're doing right now.

They tell me, the American public, my constituents tell me that they want to make sure that health care remains in their hands, that health care remains as a private matter in the sense of a doctor-patient relationship. Maybe you want to comment on that at some point, where they're in control of the delivery, of the questions and the asking and what have you and the needs for the services, and the doctor is in control of the services that are being provided. They don't want big brother, if you will, stepping in and saying, well, no, we're going to exclude you, include you and what have you. So they are very hesitant to go down the direction that Bill Clinton wanted this country to go down and now this Democrat majority wants us to go down as well.

And if the gentleman would continue to yield.

Mr. PRICE of Georgia. I would be happy to yield.

Mr. GARRETT of New Jersey. The very definition of a middle-class entitlement, which, as Bill Clinton would say, is the next step to go to socialized, government-run health care, well, the very definition of a middle-class entitlement can be seen in what the Democrats are trying to do right now with SCHIP. Look at the numbers. And I know I don't have a chart behind me like you do to have these numbers right next to me, but let's think of these basic numbers.

Right now the SCHIP program, as originally intended, was to fund indigent care for children, at what level? Two hundred percent of poverty. Ballpark figure, that's around $42,000 for a family of four; that's what is defined as poverty for that family. The medium income, that's the middle income in this country, for a family of four all across this country on average is about $48,000. So, $48,000 is the middle range. Any time you're going to start spending more, providing a government-run program for somebody making more than the middle by definition now becomes a middle-class entitlement, and that leads us to government-controlled health care.

So, when they're talking about providing services above 200, 250, 300, well, 300 percent of poverty, that would put you at approximately $62,000 for a family of four. In New Jersey, we're at 350 percent of poverty; that puts you around $72,000 for a family of four. So, by definition, they're telling us that they are not trying to create a program for the indigent and the poor in this country. By the very definition of the words they're using and the facts that are out there, they are trying to create an entitlement program for the middle class. And then of course the question is, who is going to pay for that?

Mr. PRICE of Georgia. Would the gentleman yield?

Mr. GARRETT of New Jersey. I will yield.

Mr. PRICE of Georgia. I appreciate your perspective on it and your comments because they ring true. Those are the absolute facts, Mr. Speaker.

And to put a few more numbers on that, at 300 percent of the poverty level, which is about $62,000, $63,000 of income for a family of four, 79 percent of those families already have health insurance. The children have health insurance. And this bill that the President vetoed and the veto that we sustained, this bill would have made it so that those children would have been essentially forced, because the employers would say, well, why should I insure these kids if the government is going to do it, those kids would be forced into government-run medicine.

□ 1945

At 300 percent of the poverty level, at 62, $63,000, folks who live in families with incomes at that level or below comprise 53 percent of the kids in this Nation, 53 percent of the kids, which means that over half of the kids would be eligible for State-run, government-run bureaucratic health care. And as a physician, I know that whenever the government got involved in the decisions I was trying to make on behalf of my patients, it was even more difficult.

I am pleased to welcome my good friend and physician colleague from Georgia, who understands those issues as well with governmental intervention into the practice of medicine. I appreciate you joining us tonight and look forward to your comments.

Mr. GINGREY. I thank my colleague from Georgia, Dr. PRICE. Certainly the posters that he has got up there, Mr. Speaker, that I call our colleagues' attention to, I might just touch on that issue in regard to the tax on tobacco product, particularly cigarettes, that increase in that tax, just 61 cents a pack, I believe that would bring the Federal tax on cigarettes to a dollar a pack. But the Heritage Foundation and others have looked at that and said, well, how many new smokers would you need to have to raise the $70 billion that would actually not completely pay for this massive expansion of SCHIP that Democrats have recommended? And the number, Mr. Speaker, is 22 million, as Dr. PRICE's poster so vividly points out.

Mr. PRICE of Georgia. I try to bring posters, because when I look at something like this it really drives the issue home and brings it much more clear to me. But this is what you have mentioned that is so true, and the bill that was passed, as you said, would require 22 million new smokers, new smokers, that means from 2010 to 2017, 22 new Americans would have to start smoking. This is the number of folks that would have to begin smoking just in order to pay for the program.

Mr. GINGREY. That's right. And that means the ones that are already addicted, the poor grandparents and parents of these children that can't break that habit, and some of them, Mr. Speaker, and I know my colleagues appreciate this, are the poor members of society, for some reason that have developed that smoking habit. And we are going to put the burden on them, plus 22 million. And some of those 22 million, this is the irony of this pay-for that the Democrats have come up with, some of these very children, maybe some of the 5,000 that I delivered who are old enough to go buy cigarettes, they will have to be addicted to help pay for this massive expansion so that their younger brothers and sisters can get health insurance funded by the Federal Government. It makes absolutely no sense. I really appreciate Dr. PRICE bringing this leadership hour to us as part of the Truth Squad, the ongoing Truth Squad, because the truth just needs to be told. And I think the important thing for our colleagues to understand and anybody within shouting distance to know that Republican Members of this body, and our President, George W. Bush, is all for children and providing health care for children. If he wasn't, would we be spending $35 billion a year on the Medicaid program for children's health insurance? Absolutely we would not. The President even has recommended that because it is estimated that 750,000 children, we cover 6,750,000 in that income bracket that my colleague from New Jersey was talking about, the 100 to 200 percent of the Federal poverty level have fallen through the cracks, so the President said, look, let's increase this spending $25 billion over 5 years, let's increase it 20 percent and a little bit more money in there for inflation. But, instead, the Democrats come with a bill to increase the spending by 140 percent to $60 billion. In fact, in their original bill, the CHAMP Act, they wanted to increase it to $90 billion.

As Dr. PRICE points out, in this new bill the $60 billion version, that is covering 53 percent of all children in this country either on the Medicaid or the SCHIP program. Well, there is something wrong with that. There is no question about it. We don't need to be paying the health insurance for children from families who are making $62,000 a year. In some instances in the State of New York, it may be up to $83,000 a year. That's what we're railing against, this unnecessary, massive expansion. We Republicans and the President want to renew this program. It's a good program. We need to increase the funding. The President possibly would be willing to even go a little more than a 20 percent increase. But the only justification the Democrat majority can have for this type of increase is just what was already alluded to, a march toward a single-payer national health insurance program. In some of their rhetoric in regard to Medicare and wanting to start covering people at age 55, you see where the gap gets smaller and smaller, and then all of a sudden you're covering from cradle to grave

everybody in this country run by the government.

So I thank the gentleman from Georgia, my colleague from Georgia, my colleague from Cobb County, for leading this time. I know there are a number of other speakers that are here that want to weigh in on this. We just need to keep fighting. We will get this bill right. But we need to do it in a bipartisan way.

Mr. PRICE of Georgia. Thank you so much. I appreciate my physician colleague pointing out again the number of new smokers needed to pay for it. And the last time I remember, it has been a while since I have been in medical practice, but we used to try to get folks to quit smoking, that is what we tried to get them to do, instead of beginning to smoke to pay for it.

This chart really describes it very, very well, talking about the bait and switch of the funding. In addition to having a tobacco tax pay for it, which is really counterproductive because we want folks to quit smoking, not start smoking, but in addition to that, what happens at 5 years, this is 2008 program, 9, 10, 11, 12, 13, when you get out to this fifth year, what happens in the majority party's bill, the Democrats' bill? The funding drops way off, which means that they weren't sincere about this in the very beginning.

It really isn't about cost. It is about control, about who is going to control health care. Is it going to be patients, individuals, families and doctors? Or is it going to be government? It really is about something as basic as that, a basic question.

I'm so pleased to be joined tonight by my good friend from Florida who has a district that is probably as sensitive to health care as any in this Nation, GINNY BROWN-WAITE. I appreciate so much your joining us and I look forward to your comments.

Ms. GINNY BROWN-WAITE of Florida. I thank the gentleman for yielding.

I was sitting in my office calling back some constituents. It was 7:30, and first of all, they were surprised to hear from any Member of Congress calling them back at 7:30, but I am sure everyone here in this chamber does exactly that. And I saw you coming here to inform the American public about the truth. It is long overdue.

Many of us in this Chamber had ads run against us. It was during that 2-week period after the President vetoed the bill. Now, we could have been working on a compromise, but no, there had to be time out there for the operatives to run nasty ads against people who voted to not override the President.

The President was right. This bill, the spending in the bill is out of control. It is out of control, and the American public started to catch on. Because when they started to attack me, you know, I have been called the mother of this bill. I wasn't in Congress at the time. But it was because I was willing to take that very difficult vote to allow for third-party reimbursement to come from the tobacco companies for health care costs that the money came from.

So, Dr. PRICE, your chart there on where the money is coming from is very, very interesting because, as you say, in 2013, if I am reading the chart correctly, that is where the funding drops off. Twenty-two million smokers would be needed to fund this program, which is far, far different from that originally envisioned and that which both sides of the aisle, the Democrats and the Republicans, worked on in 1997 to come up with the SCHIP bill.

So what exactly do we have in the bill that many of us voted against, many of us who fought long and hard for State children's health programs? What is in it? Well, it continues to allow adults to receive health care under various State SCHIP programs. It is interesting that it also will allow more illegals to participate in health care through the SCHIP program. That is not what our constituents wanted.

The Senate received a loud-and-clear message when America finally did wake up to what they were doing on the issue of illegal aliens. They virtually inundated the switchboard of the Senate. People do not want more magnets to attract illegal aliens here. But most of the State health plans, part of the pool of money that the various States got after going after the third-party reimbursement, part of that money was also for education and trying to get people to stop smoking. So isn't it interesting that with this hand we fund programs that are trying to get people to stop smoking, and yet we have a bill here that says, oh, come on, we need some more smokers to pay for this program.

One of the fallacies that people have finally in America begun to realize is that the program, the SCHIP program, was a great program. It should be renewed. It shouldn't be expanded. It should be renewed. And we need to reach out to those that the program hasn't already touched, those low-income children out there. It shouldn't have been, and it was never intended originally to be for adults. But, quite honestly, States gamed the system. And why did they do it? Because they could get 15 percent more funding from the Federal Government than they could with the traditional Medicaid program that adults go into.

In Florida alone, we have right now 62,000 children who should be eligible for KidCare, which is the State program, but they have not signed up for it. So before we go expanding it to middle-income kids, let's capture those children in Florida, and every other State, Dr. PRICE, every other State that has children who still are not covered by the program, the very, very good program. Many of us actually are on the bill that would be a simple extension. And many of us are cosponsors of that which allows the program to continue for 18 months.

I hope that our colleagues on the other side of the aisle realize what America really wants. They want this great program to continue for low-income children.

Dr. PRICE, I appreciate your being here tonight as part of the Truth Squad to bring this information to the American public.

Mr. PRICE of Georgia. Thank you so much, Congresswoman GINNY BROWN-WAITE. We appreciate your perspective. What a moving story about the beginning of the program where you were on the front lines at the beginning. I know of nobody in this Congress who has greater compassion for kids than you. I sincerely appreciate your coming down, sharing that story and trying to bring some truth. That is what we are trying to do, trying to bring some truth and some light to this issue.

When folks at home ask me what the alternative is, because there are alternatives, there are wonderful, positive alternatives, a number of other Members of Congress have introduced bills. I, along with over 60 folks in Congress, have introduced a bill that we call More Children More Choices Act. It would be a bill that would in fact reauthorize SCHIP, State Children's Health Insurance Program, up to 200 percent of the poverty level, that is $42,000 for a family of four. For those kids between $42,000 and $62,000 and their family, we would provide premium assistance, premium support, make it so that all kids can, indeed, get health insurance. But most of those kids would then be able to have health insurance provided in a personal and private way so that their doctors and their families were making health care decisions, not the government.

Ms. GINNY BROWN-WAITE of Florida. Many of the State programs actually had that language in there so that we wouldn't crowd out those who already had insurance and encourage them to get into the program. Many of the States had subsidies, premium subsidies so that people could stay in a family program so you didn't have to have one doctor for perhaps your 12-year-old and another doctor for the mom and dad so that there could be a family, a true family doctor there because they all were covered by the same insurance company. The problem was over time many of the States stopped promoting that. So it was just easier to enroll the children in the State children's health program, and in Florida we call it KidCare. That is an excellent point you bring up.

Mr. PRICE of Georgia. Thank you so much. I appreciate your joining us and providing that perspective.

Again, Mr. Speaker, there are all sorts of alternatives. The alternative we put forward was H.R. 3888. I encourage my colleagues to look at it.

□ 2000

It's a bill that would reauthorize SCHIP. It would make certain that we had premium assistance or support for

those folks in low to middle-income families so that they could make certain that they could own their own personal private health insurance and be able to make health care decisions, with families and doctors being the ones in charge, not State or Federal Government. It would allow States greater flexibility to provide health insurance for their uninsured population.

So I would encourage my colleagues to look at that. I think it is the kind of bill that folks across this Nation I think are clamoring for because it allows us to work together in a positive way and do something that benefits our constituents, does something that benefits the vast majority of Americans. One of the things that benefits the vast majority of Americans is not to have the Federal Government reach into their pockets and destroy their economic well-being.

This Federal Government, under the new leadership here, has shown a penchant for increasing the desire to have this government involved in all sorts of personal decisions, and probably the most personal of decisions is what to do with one's money. When you think about it, tax issues, taxes are, in actuality, the government, either the local or the State or the Federal Government coming into peoples' lives and saying, We know how to spend your money better than you do. We know so well how to spend your money better than you do that we are going to take it from you, because you certainly don't know exactly what you ought to be doing with your money.

This new majority, this new majority has passed all sorts of tax bills, almost at every turn. As we have talked about, Mr. Speaker, they have passed a $392.5 billion tax increase in their budget; $50 billion in new energy taxes; $35 billion in new tobacco taxes; $7.5 billion in new taxes on a farm bill. Hold on to your wallet when you go to the gas tank; a 55 cents per gallon increase in gas taxes for infrastructure and global warming studies; new taxes on homeowners by ending mortgage deductions.

Mr. Speaker, that isn't all, because Congressman RANGEL, chairman of the Ways and Means, you have got to honor him for his candor, because what he says is he is coming with the mother of all tax hikes, the mother of all tax increases, and, Mr. Speaker, this is a $3.5 trillion proposal for a tax increase over the next 10 years, the largest individual tax increase in American history, $3.5 trillion. Mr. Speaker, that is with a T. Only in Washington can we talk in those kind of numbers.

It is very concerting to me, I know to my constituents, and it's concerting to my colleagues who have joined me tonight to talk about the issue of taxes, the issue of money and Washington's appetite for money.

I am pleased to welcome my good friend, the gentleman from California (Mr. MCCARTHY).

Mr. MCCARTHY of California. Mr. Speaker, I thank my good friend for yielding.

Mr. Speaker, it's quite ironic, Mr. Speaker, that Mr. PRICE has this hour tonight. Tonight is Halloween. I will tell you, when I look back at home in California, my kids will be getting ready to go out with their friends. Some of them are going to dress up, some will try to scare one another. But tonight, Mr. Speaker, this is the scariest moment of all. This largest tax increase in American history is going to scare every American there is.

I will tell you that as you study history and study economics, you will see in the last cycle when taxes were lower, we set a record April 15. April 15 was the day people were paying their taxes. With taxes lower, more revenue came into American coffers, government, than ever before in the history of collecting taxes. Why? Because you let people keep more of what they earn. They went out and took their money and invested into capital, invested into businesses. What does this plan do that the Democrats put forward in the Democrat's largest tax increase? It taxes small business, small business at the highest rate. How do you create a big business? I guess you can't under the Democratic plan.

For those that are sitting at home, Mr. Speaker, I want them to think for one moment when you think about taxes, because you always don't realize how much taxes you pay in a day. On an average day, you wake up, you take a shower; do you realize you pay a tax on that water? You go maybe over to Starbucks to get a cup of coffee, you pay a tax on that coffee. You stop off and fill your car up with gas; you pay a gasoline tax. You go into work, and for the first three hours you're just paying taxes before you make any money. You go home, turn on the TV, hopefully you will see yourself on television, you pay cable tax if you're watching this show tonight.

You go out tomorrow, a lot of us are going to fly home, and when we buy that airplane ticket, we're going to pay an airport tax. You rent a car, you pay a rental tax. Somebody stays in a hotel, they pay an occupancy tax. God forbid, you save enough money and unfortunately die, you're going to pay an inheritance tax. On the Democratic plan, it goes to 55 percent.

They think they know what to do with your money. I believe the Republicans know what to do with your money. You keep your money and invest it and build America. The plan has shown that if government continues to grow, they are going to raise your taxes further.

Mr. Speaker, this plan and the appropriations that have gone through on this floor have continued to make government grow, continued to increase. How do they want to feed it? By taking more of what you have.

I want to yield to my good friend from Georgia and thank him for the time that he has put into this, because it is a Truth Squad. It's rather ironic that tonight you're talking about how the Democrats have scared the rest of America. It is scary because they plan to move forward with their plan.

Mr. PRICE of Georgia. I thank my friend from California for outlining what truly is a frightening issue for many Americans. Many folks, especially in the middle class, there has been talk about a war on the middle class. I tell you, Mr. Speaker, the war on the middle class is being fully engaged by this majority party when you think about a $3.5 trillion tax increase.

Congressman RANGEL, again, you have to honor him and commend him for his candor and his honesty. He says, well, look, 90 million Americans will have a tax decrease with his proposal. What that means, Mr. Speaker, is that over 200 million Americans will have their taxes increased. That is where this $3.5 trillion comes from. It comes from anybody who is paying taxes currently to any degree will have their taxes increased. My friend from California outlined so many different ways that we are taxed and taxed and taxed by folks who think they know how to spend our money better. I believe I know that most folks on our side of the aisle believe that individuals know how to spend that money better. I recognize my good friend from Ohio, who believes that sincerely and has great knowledge and acumen about the issue of taxes and financial issues, my good friend, Mr. JORDAN from Ohio.

Mr. JORDAN of Ohio. Mr. Speaker, I thank the gentleman for putting this hour together. I thank my friend from California too for his focus on keeping taxes low, which the gentleman from Georgia made the right point: Whose money is it? Does it belong to the families of this country or does it belong to government?

The families of America know that they can spend their money better than government. They can invest it in their kids, their grandkids, their goals, their dreams, their ideas, their principles. They can do it better than government can. American families know that taxes are too high. Think about the typical family, the typical family in this country. When you factor in local, State and Federal taxes, all those taxes that my friend from California went through that you pay in just a typical day, when you factor that in, the typical American family spends 50 percent of their income, 50 percent of what they make, what they bring in, that they can invest in their kids, their grandkids, their future, they have to give to some level of government.

As the gentleman from Georgia pointed out, when you think about what has happened this year in this Congress, we had a budget bill passed that doesn't extend the 2001 and 2003 tax cuts that have helped our economy, that have helped families have a growing economy, the tax increases in there that result in huge, huge taxes in the future on American families. We had an energy bill that raises taxes on domestic energy companies. We had a

farm bill, a farm bill, one of the most bipartisan pieces of legislation that typically moves through the Congress, had a tax increase in it.

We had the SCHIP bill that the gentleman spoke on earlier in this hour which had a tax increase in it. And just this day on the floor we had a Trade Adjustment Assistance Act that also had a tax increase in it. And, as my good friend from Georgia pointed out, we now have what is appropriately called the mother of all tax increases coming, which will raise $3.5 trillion, $3.5 trillion on American families across this country.

It begs the question: Why do politicians want to raise taxes? It is real simple. Because politicians like to spend money. You always hear ''tax-and-spend politicians.'' It is actually the opposite. It is spend-and-tax. Spending always drives the equation.

That is why this summer my good friend and I and several other members of the Republican Party offered a series of amendments which said let's hold the line on spending. Let's do what families have had to do from time to time, what business owners, as my friend from California pointed out, have to do from time to time, what individual taxpayers have to do from time to time. Let's just spend what we spent last year.

After all, if you ask the typical American, do you think government spends a lot of money? Do you think maybe there is just a little bit of waste in the Federal Government? And everyone knows instinctively, of course there is. So we said, let's just spend what we spent last year.

You know what? Right now we are operating in a continuing resolution, which is a fancy way of saying we are living on last year's budget, even though the Congress was supposed to have budgets in place by September 30 and start a new budget. So we are living on last year's spending.

When we argued these amendments this fall, that is what we wanted to do, the other side told us, oh, the sky is going to fall, the world is going to end, all kinds of things are going to happen. You know what? For 4 weeks now we have been doing just what we offered in those amendments, living on last year's budget. And, guess what? Kids are going to school. The government is still running. Nothing terrible has really happened. If we can do it for 4 weeks, we can do it for 4 months, we can do it for the next year.

Here is why this is critical. If we don't begin to get a handle on spending, it hurts us in our economic position around the world. And right now Americans understand this as well. The market is so competitive, we have got to keep taxes low, keep spending under control so our economy can grow.

There was a point in the past, there was a point in the past coming out of World War II where America was uniquely situated; it didn't really matter if elected officials, if politicians did some dumb things. But now it matters. Now the competition is so stiff we have got to get public policy right.

Just think of some of the numbers we have to deal with today. We have 300 million people in this country. We are competing with the Chinese, who have 1.3 billion. It is critical that we do things right so we can remain the economic superpower, because here is the way the world works.

The economic superpower is also the military and diplomatic superpower. Right now there is one country that fits that definition, that is the United States of America, and that is a good thing. The American people recognize instinctively that the world is safer and better when America leads. If in the future that is some other country, that is a scary thought. We want America to lead.

I kind of joke when I say I think the only folks who don't get that concept is the editorial page of the New York Times. But Americans understand that the world is better. I love what Cal Thomas said. He was talking one time about how sometimes the national media doesn't see things the same way that a typical American family does. He had a line when he was talking about the New York Times. He said, ''I get up every morning and I read my Bible and the New York Times so I can see what each side is up to.'' There is certainly some truth in that statement.

It is important for America to lead. The way America can lead economically is to keep taxes low, keep spending under control, and, if we do that, American families, American business owners can create those jobs and make our economy grow so that we have a prosperous future, just like America has always had, and that will allow America to continue to be the greatest country in the world.

So I thank the gentleman for his time tonight and for his focus. He is so right on target. And my good friend from California as well.

Mr. PRICE of Georgia. Thanks so very much for joining us tonight, and for really shedding the truth on issues as they relate to taxes. You are so right about the spending.

That is what we have seen in this Congress, Mr. Speaker, is bill after bill after bill with more spending and more spending and more spending. And it will drive, it has to drive, increased taxes. So what we have seen is a proposal from not just a back-bencher, not just somebody who took some wild hair and decided that they were going to propose a tax increase; the proposal comes from the chairman of the Ways and Means Committee, the tax writing committee. And in fact the Speaker in her first comments about it said she supported it.

Mr. Speaker, on Halloween, you talk about something that is frightening. As my friend from California said, that is frightening, to have the Speaker and the chairman of the Ways and Means Committee supporting a $3.5 trillion tax increase, the largest tax increase in the history of our Nation, on individuals.

My good friend from California, I am pleased to yield.

Mr. MCCARTHY of California. My good friend from Georgia, I appreciate your yielding. You are talking about spending and you are talking about how much it has increased.

The American public would say before you raise my taxes, have you cut the waste, the fraud and abuse? You just talked about the chairman of Ways and Means. You look at the tax increase he proposed and you wonder why does he want to increase taxes so much?

I look back and I remember on this floor when we were bringing up the Health and Human Services bill. In there, you thought you were going to talk about the needs and the other things.

There was an amendment in there. I remember the debate on the Republican side, Mr. Speaker, because in there, there was put in what is called an earmark for $2 million for a library which the college didn't ask for to be named after the chairman of Ways and Means. It was interesting to me, I call it ''the monument to me,'' because that is exactly what it is. The American people need their taxes raised so somebody on this floor can name a library after themselves for $2 million? And if you look at the brochure, it says it will be just as nice as President Clinton or President Carter, which I will tell the American people, Mr. Speaker, were paid for by private funds.

When it was challenged on the side of the Republicans to say maybe that earmark is not right because it didn't go through the process, the chairman of Ways and Means came to the floor and defended it and said he deserved it. When someone said, Well, maybe you shouldn't name it after yourself, he talked about it and said, No, I have been able to raise $25 million from corporations to go through it. Then when he sat there and talked and they said, Well, maybe we should name one after ourselves, he said, No, no, you don't deserve it.

But that is the hypocrisy that goes on on this floor of the Congress. When you continue to spend, when you continue to move earmarks and you think you can just tax the American public more and more, they are going to wake up. That is why I appreciate the time you have taken, the Truth Squad, to let people know what goes on on this floor.

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Mr. Speaker, I apologize to the American people for scaring them too much, but this is the truth, and I yield back to my good friend from Georgia.

Mr. PRICE of Georgia. I thank the gentleman for those comments, but the truth sometimes is painful. And it is important as leaders in this Nation

that we bring the truth to our constituents. And the truth of the tax bill that has been proposed is on this chart right here, Mr. Speaker. This describes the time from 2007 through 2050 and the amount of money that would be raised, the amount of taxes that would be raised by the Democrats is this orange line right here, this top line, and it continues to go up and up and up.

And the reason it is important to appreciate it going up is this ordinate here, the Y axis, has the percent of GDP. That is the entire economy of the United States. And once you get above about 18, 19, 20 at the outside, the economy tends to plummet. You can't run the economy in an aggressive and appropriate way to provide jobs for people when you get above 20 percent.

And the majority's party plan, the plan proposed by the chairman of the Ways and Means Committee and supported by the Speaker of the House in her first comments, what that plan does is move us upwards of 24 percent of gross domestic product. Mr. Speaker, that is a frightening prospect. That is not the kind of leadership, I believe, that the American people bargained for last November. The kind of leadership that they wanted, that they desired, were individuals to work together for solutions.

And the yellow line down here, Mr. Speaker, is a solution. It is called the Taxpayer Choice Act. It is uplifting, optimistic, enthusiastic support of the American people. It says, Mr. and Mrs. American, you know what to do with your money more than we do; and we believe that so strongly, we are not going to increase taxes on you. If you work harder, you will be able to keep more money. You will be able to appreciate the fruits of your labor. Isn't that what America is all about, Mr. Speaker? To be able to reward hard work and reward success and reward entrepreneurship and reward vision? That is what America is all about. That is what my constituents tell me when I go home.

So my constituents are concerned, which is why the numbers for Congress are so very, very low. An 11 percent approval rate of the United States Congress by the American people. Again, that troubles me. This is a wonderful, fine institution. It works best when people work together positively for their constituents.

So I challenge my colleagues on the other side of the aisle, I challenge them to embrace them in the SCHIP arena, embrace a positive bill which provides reauthorization for the bill but ensures that moms and dads and families and kids can be able to make health care decisions with their doctor without the intervention of the Federal or State government.

As a physician, I know oh so well how the intervention of the State and Federal Government into the practice of medicine destroys the ability to take care of people. It makes it so you can't provide quality health care for children and moms and dads.

There are alternatives to that. H.R. 3888, the More Children More Choices Act. More kids being insured, the same number of kids proposed by the other side, but more choices. More personal ownership and more ability to control one's future.

In the area of taxes, Mr. Speaker, the alternative is clear. It is allowing Americans to keep more of their hard-earned money. It is what we have done for the last 6 years. It has resulted in the largest economic boom we have seen in a number of decades. In fact, it has resulted in the largest economic boom that we have seen since taxes were decreased before in the sixties and the eighties under President Kennedy and President Reagan. And what we saw under them was increasing revenues to the Federal Government.

Mr. Speaker, it is an incredible privilege to come to this floor and present ideas and speak on behalf on our constituents in a positive and optimistic and enthusiastic way. I encourage my colleagues to embrace the kind of optimism and enthusiasm we have for America. And if this majority party would do just that, I promise you that the ratings for this Congress would increase. I look forward to joining my colleagues in that positive and upbeat way.

VACATING 5–MINUTE SPECIAL ORDER

The SPEAKER pro tempore (Mr. ARCURI). Without objection, the 5-minute Special Order in favor of the gentleman from Connecticut (Mr. MURPHY) is vacated.

There was no objection.

30–SOMETHING WORKING GROUP

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Connecticut (Mr. MURPHY) is recognized for 60 minutes.

Mr. MURPHY of Connecticut. I thank the Speaker and I thank the Speaker of the House, NANCY PELOSI, for once again allowing the 30–Something Working Group to come to the floor tonight and share with the American people and share with you, Mr. Speaker, some of the most important and pressing issues that are before this Congress right now, and to do that in part from a perspective of some of the hardworking individuals across this country who are looking for help from this Congress, who are looking for a Congress for the first time in a long time to start standing up for average, hardworking, everyday men and women who have been getting the short shrift from this government for a very long time.

I am soon to be joined by some of my colleagues, potentially Mr. RYAN and Mr. MEEK and Mr. ALTMIRE to discuss some of the issues confronting us today.

We will try, on behalf of Mr. ALTMIRE and Mr. MEEK, and certainly Mr. RYAN, to make as few Halloween analogies as potentially positive. We have exhausted that already this evening, and we are guilty on both sides of the aisle, so we won't talk about things being frightening or scary, at least until Mr. RYAN gets here. He may not be able to resist.

It always amuses me when we are down here for one of these 30–Something Working Group hours, and a lot of times we are preceded by The Truth Squad or some of our friends on the Republican side of the aisle. Often their mantra is to preach to the Democratic side of the aisle and preach to the American people the values of fiscal responsibility.

Tonight we heard a little bit about it from our friends from the other side of the aisle chastising Chairman RANGEL and his new very progressive tax cut which will bring tax relief to millions of working-class families. We heard them talk about how it is time this Congress got spending under control as well.

Mr. Speaker, there are short memories on the other side of the aisle, short memories which seems to only go back 10 months. They do not go back 3, or 6 or 12 years ago when Republicans took control of this Congress. If they did, they may have some recollection of the fact that they had 12 years of control. The Republicans had 12 years of responsibility over the Federal budget to get some fiscal sense and some fiscal discipline in the Federal budget.

I stand here as a representative from a pretty fiscally conservative district. I represent northwestern Connecticut which is filled with Democrats and Republicans and Independents alike who care about the management of their Federal budget. They care about what this government does with their Federal dollars.

They may be sort of a more socially liberal or moderate district, but when it comes to dollars and cents, people in my district care about fiscal responsibility. So I think one of the reasons I replaced a 24-year incumbent is because after a while, people in my little corner of Connecticut and from across this country woke up to the fact that while on the floor of the House of Representatives or back in their districts or on the talk shows or the cable news networks, the Republicans said over and over again that they valued fiscal responsibility, but when they had a chance to pass budgets to back up that talk, when they had a chance to get the deficit under control, not only did they not do it, they made it worse.

This President with a Republican-controlled Congress in the House and the Senate, with a Republican-controlled administration inherited a budget surplus and turned that in just a few years into a record budget deficit. A chart that Mr. MEEK and Mr. RYAN have shown on this House floor year after year after year says it pretty well. President Bush during the time he has been in office, all of that,

all of those budgets passed with Republican Houses and Republican Senates, in the time he has been in Congress, he has doubled the amount of foreign-held debt, doubled the amount of borrowing we have done which has been bought up by countries other than the United States.

It took 42 Presidents 224 years to build up $1 trillion of foreign debt. And it has taken this President 6 years to go to $1.19 trillion. And this chart is a little old, too. It's even worse than that now. So it amuses me, Mr. Speaker, and a lot amuses me in Washington. As a freshman Member, I find a lot of things to sort of step back and laugh about. But to get lectured by a Republican, now in the minority, about fiscal responsibility, when it was their party in control of this House and in control of the Senate and running the administration that put us in the situation we are in today. So now it is our job to try to clean it up.

When I go back to my district, Mr. Speaker, I have a hard time explaining why some of the simple, commonsense measures that we have undertaken in this Congress weren't done years, decades ago. I use for an example what is called the pay-as-you-go rule. It is kind of the rule that most families and businesses use every day, which is we are only going to spend money that we have. We are going to put money out at the same rate money is coming in.

For some reason when the Republicans were running this House for the last 12 years, that wasn't the rule of the day. In fact, regularly they were spending American taxpayer dollars that they didn't have, that weren't in the bank. That is what rolled up these deficits that were rolling in at about $300 billion a year. It's spending more money than we were taking in that is now responsible for a Federal deficit that balloons over $1.2 trillion.

The majority, I am not sure the majority but a large amount of that deficit, that debt, those notes, those obligations being held by China and Japan and OPEC nations, all of these countries that we are sitting across the negotiating table from, being largely compromised by the fact that we owe a large amount of money that we are asking for policy considerations from.

So we decided, let's do something simple. When Speaker PELOSI came to the Speaker's chair, to the dais you sit on right now, Mr. Speaker, she decided in the first 100 hours we are here, let's say that every obligation that we decide to commit ourselves to, every new spending bill that may come before this House, let's within that bill explain exactly how we are going to pay for it. When I explain that back home, when I go to my Rotary groups or my Chamber of Commerce meetings and I explain that Congress now has decided to only spend what we have, and if we spend anything more in that bill we are going to tell you how we are going to spend it, people look at me with these blank stares saying on the inside and on the outside: Why didn't you do this before?

This Republican Party that told us for years they were the party of fiscal responsibility in fact was running this budget into the ground; and could have, just by adopting a pretty simple pay-as-you-go rule, could have exerted some discipline on this House which was lacking almost completely for 12 years, now finally here.

I am pretty proud of Chairman RANGEL for his frankness as he was sort of mockingly given credit for earlier today, because the bill that he has put before us, the bill that fixes the alternative minimum tax, and I know we will spend some time talking about some really important topics as we head into the holidays regarding food safety and toy safety and drug safety, but first I want to talk about the alternative minimum tax because you didn't hear a word about it, you didn't hear anybody talking about it, at least when I was listening to the other side of the aisle, you didn't hear anybody talking about the very reason Chairman RANGEL and the Ways and Means Committee have dedicated themselves to tax relief because we are on the verge of the biggest tax increase on the middle class in perhaps the history of American tax policy courtesy of President Bush and the previous Republican majority here.

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So guess what? Yet again, it's left to this Democratic Congress, the New Direction Congress, to clean up yet another mess that was created by this prior Congress.

We're already trying to do it when it comes to children's health care. We're trying to reorder our energy policy. We're trying to clean up the ethical malaise that has settled on this town. So now we are also going to do it when it comes to this issue as well, to the alternative minimum tax.

In 1969, when the alternative minimum tax was passed by Congress it was pretty simple. They said, listen, with of the different tax loopholes and deductions and credits and offsets that people can take, there's going to be some people who make a lot of money who may be able, through creative tax planning, to avoid paying taxes to the United States Government. That's not right. That's not right.

And so in 1969, they passed a complicated formula called the alternative minimum tax, and in 1970, about 20,000 of the richest Americans paid the alternative minimum tax. Makes sense. Makes sense. Make sure that everybody pays some minimum level of taxation, especially those folks up at the top of the income stratosphere who have creative ways to avoid that tax situation.

Okay. So 20,000 people pay it in 1970, but guess what? Because Congress, after Congress fails to index the alternative minimum tax, in 2006, 3.5 million people end up paying it, and all of the sudden it's not just the tax paid by the really, really rich people. It's a tax that starts to get paid for by people that look and sound and make incomes like you and I, and as we look at what happens in the next couple of years, it gets even worse.

By 2010, if we don't fix the alternative minimum tax, the AMT as people call it around here. I figured out in my short time here that everything has got an acronym, everything; even things where the word itself is shorter than the acronym, that's got an acronym. So this has got an acronym. The alternative minimum tax is called the AMT.

By 2010, just 2½ short years away, if we don't fix this, if we don't clean up the mess that this last Congress created on the AMT, 80 percent of people that make $100,000, in Connecticut that's a middle-income family, 80 percent of people that make $100,000 are going to be paying the alternative minimum tax, and it just gets worse from there.

Mr. ALTMIRE. Mr. Speaker, would the gentleman yield on that?

Mr. MURPHY of Connecticut. I would.

Mr. ALTMIRE. And this is something that's critical to understanding the tax policies that we're going to be considering in the remaining time that we have in the 110th Congress.

The alternative minimum tax, as the gentleman is pointing out, is something that has to be addressed. We simply cannot afford to ignore this issue any longer. We've been in a position where we have been giving 1-year fixes year after year. For 1 year we hold harmless the folks that should qualify for the AMT as it's currently written with that flawed formula, and we push it off another year, and it gets more expensive to fix every time we do that.

And what the gentleman from Connecticut is talking about is it was a flaw. In 1969, they created the alternative minimum tax to prevent people from escaping their tax obligations. They couldn't use deductions and loopholes and whatnot, and they didn't index it for inflation. So now we're 38 years later, and the income of 1969 that was considered rich at that point, due to 38 years of inflation, we have a different outlook on that.

So we have a situation where the alternative minimum tax is spiraling out of control. And you gave numbers, 4 million people affected by it this year. If we do nothing, it is going to be 23 million next year. So we can't ignore the problem, and our friends on the other side of the aisle can pretend like that's not part of the equation and this is not something that we have to deal with or this isn't going to have a cost. And I know this is something you're going to address later in your remarks and we can discuss that, but to say, well, we should just do nothing about this or we should pretend like this isn't going to have a budget impact is just not consistent with the facts.

So the alternative minimum tax is there. It's the reality. It's existed for 38 years. It's spiraling out of control, and we're very close to being in position where if we were to scrap the entire income tax system, that would cost less than to do away with the alternative minimum tax. We're only a few years away from meeting that threshold.

So what do we do? Well, Chairman RANGEL has put forward a plan that is not the only plan that's going to be discussed. It's not the only plan that's going to be offered, but it's the starting point for the discussion, and he has said that this needs to be a permanent fix. And I know in the other body they're having the same discussion, that it needs to be a permanent fix. We can't continue to do this year after year after year, and it just gets more expensive.

So this is the starting point. We have to think about that when we talk about tax policy, that this is unmistakable that we have to deal with the AMT.

Mr. MURPHY of Connecticut. We've got to decide how we're going to fix it. Everybody on this side of the aisle and some of our friends in the Senate can sort of live in this.

Fantasyland where we're just going to do more of the same; let's fix this alternative minimum tax for middle-class taxpayers, and guess what, let's just do it by borrowing more money. That's the way I think a lot of people in the place would like to do, more of the same, borrow money in order to cut taxes.

You can't do that anymore. You can't do that for the next generation is going to end up paying all that money back. You can't do that because you can't exacerbate the existing trend, which has countries like Japan and China and OPEC nations, and Taiwan and Korea and Hong Kong and Germany owning all this American currency.

You've got to stop this. You've got to stop the madness of borrowing. So the way you do that is to be honest about how you pay for the alternative minimum tax, and we're going to have to deal with some choices here.

The Republican Congress for years made this choice. They could have fixed the alternative minimum tax. Instead, they gave away more and more and more tax breaks to their super, ultrarich friends and their oil companies and drug companies and everybody else who did well here. We're going to make some different choices.

We're going to actually balance the Federal budget in 5 years. We're going to give some tax relief, badly needed, to the middle class, and you know what? We're going to stop that policy of giving away tax breaks to folks that don't need it.

Mr. RYAN of Ohio. Mr. Speaker, if I can intervene here, I mean, you look at the money that we're borrowing and then we're giving tax cuts. So it's not that we have the money laying around here and say, boy, we've got a lot of money laying around here, why don't we just give the wealthiest people in our country the money back. We're actually going out to China and OPEC countries and borrowing the money to give tax cuts, and then we borrow the money from OPEC countries to fund the war to get oil from the Middle East.

This is the most convoluted scenario that you almost think you've got to read a Tom Clancy novel to drum it up. And then when you look at the priorities that aren't getting funded here that we're now trying to fund, and on the House floor today we had the minority leader, we had the minority whip, we had all the leadership of the Republican Party tell us how somehow funding education, lowering tuition costs, reducing the amount of student debt that our students are going to have to incur, funding community health clinics is somehow not an important priority, that somehow if we put all these bills together with the defense bill and the veterans bill and education bill and health bill, that somehow those aren't all American priorities, that somehow when these vets get back, that because all these bills are somehow put together in a process that's going to speed this whole thing up, that somehow when those vets get back, they don't need health care, their kids don't need health care. Somehow when the vets get back that they don't need education, they don't need increased Pell Grants to send their kids to school.

Am I missing something here? Like these vets are out fighting for our freedom here, just for a defense bill, or just for a vets bill, that they're somehow not fighting for some of these basic, fundamental American values that we have. And look what's going on back at the ranch when our friends are playing around with the budget, not wanting to pass legislation, passing tax cuts for the top 1 percent, look at the hole we've gotten into.

Now, this is something that is very important to me, and I remember a few weeks ago I was at my brother's house who has two young kids, Dominic and Nicky. One's 1 and one's 2. And my sister-in-law said it's scary about these toys. I remember her saying that.

Here's from 2001, and it goes up as the years come, the amount of imported toys coming from China. Okay. Over here, the yellow line that drops off, that is the number of Consumer Product Safety Commission employees going down. So we only have 400. As the number of imports from China and toys come into our country goes up, the Bush administration has reduced the number of Consumer Product Safety employees to actually monitor these toys. Same thing's going on with food.

So when you look at these mixed priorities, you know, sometimes we think, well, the war's going on in a far-off place or it doesn't affect me. If you've got kids and you've got toys, this irresponsible behavior that we saw in Katrina, we saw with the government contracts in Iraq, comes right into your household because of a lack of investment into the United States.

Mr. ALTMIRE. Just to clarify, as the gentleman from Ohio understands, this was not the reduction that you see there in that chart. This was not a governmentwide reduction in costs where we were tightening our belts and doing the right thing and being fiscally responsible and we happen to lower the costs in the consumer safety section by reducing some payroll over there. This was the biggest spending administration and the biggest spending Congress in the history of the country.

Mr. RYAN of Ohio. Right.

Mr. ALTMIRE. As the gentleman points out, it's a matter of setting priorities. It's not as though they were lowering the cost of government across the board. They picked and chose what they wanted to lower, and one of the issues they thought wasn't important and we didn't need to deal with was consumer safety.

Now, I think we would all agree that consumer safety is incredibly important and especially what's happening with the Chinese imported toys, and to have dramatically less people working in that department this year than we did last year, than we did 5 and 6 and 7 years ago is outrageous.

But I did want to put it in perspective that we are raising the debt incredibly, $3 trillion and counting in the last 7 years of this administration.

Mr. RYAN of Ohio. We haven't borrowed money to make sure that we can hire enough people in the Consumer Product Safety Commission to make sure our toys are safe coming in from China. We're borrowing money to give the top percent a tax break, people making millions and millions and millions of dollars a year, and hey, if you make millions, God bless you, but now we're in a position where we don't have enough employees to monitor the toys coming into the country and we're giving multimillionaires a tax break. We're borrowing the money from China, which is pretty interesting when you think about all these toys coming in from China, that we're borrowing the money to fund the war and the tax breaks from China. So China's now our bank. So now they, of course, want their products coming into the country.

So, now all of the sudden, things like the reduction in employees at the Consumer Product Safety Commission happens because the Republican House and Senate and the White House have got us so dependent.

You mind if I go through here? I don't even know what these toys are. I see them on my brother and sister-in-law's floor. You'll know soon. You're newly wed.

The football bobblehead cake decoration. Okay. These are toys that have been recalled due to lead. This has a Patriots bobblehead.

Mr. MURPHY of Connecticut. That was not me. I'm a Giants fan. That's hard to explain.

Mr. RYAN of Wisconsin. We've got a Rudy Guiliani situation here.

Purple Halloween pails with witch decorations. We've got the Sponge Bob Square Pants Address Book and Journal. We've got the Thomas and Friends Wooden Railway toys. We've got the Go Diego Go Animal Rescue Boats. Very Cute Expressions. Children's toys gardening tools and the Robbie Ducky Kids watering can.

Mr. ALTMIRE. I have two little girls, 8 and 6, Natalie and Grace, and I have in my home some of those toys. I can tell you as a parent these are not toys that are fringe. You talk about Sponge Bob Square Pants and Dora and Thomas the Tank Engine, those are mainstream toys. Those are in families and houses all across this country. And to think that the Consumer Product Safety Commission doesn't have the resources to adequately monitor these toys coming in with exaggerated levels of lead, dangerous levels of lead from the Chinese, as a parent it makes me very angry, but as an American it makes me angry because I know all across the country there's kids right now that are playing with those very toys.

Mr. MURPHY of Connecticut. I really appreciate the analogy Mr. RYAN makes about the choices we're making. We don't want to borrow any money. We want to actually be honest about how you spend. I think it's a great point to make again that this administration and the Congress that used to control this body was making this choice.

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You sort of put it to the average American living in Ohio or suburban Pennsylvania or Connecticut that if you had a choice to spend money and give an extra $100,000 to that really rich guy who lives up on the hill or you could spend that money to make sure that the Sponge Bob toys that your kid is playing with don't have levels of lead 100 times over the Federal standard, I mean, that's kind of a laughable question, like the premise, you know, you would be laughed out of the room by most parents for that. Of course you should put more testers and more product safety employees in the Federal Government.

What we find out, when the head of this organization, when the director of the Consumer Product Safety Commission comes and testifies about what's going on, why do we have 20 million toys manufactured in China that were recalled this summer? Why do we have that long list that Mr. RYAN puts up? Why do we have just recently a press release dated today from the Consumer Product Safety Commission calling for a recall of these fake teeth that kids use, and a lot of them use on Halloween. Well, it turns out that about 43,000 of these fake teeth that kids are using out there have levels of lead that might be as much as 100 times over the Federal standard.

I mean, this is dangerous stuff.

So Ms. Nord comes before the Congress to be held accountable, first time that's ever happened on this issue, I mean, finally we are bringing these bureaucrats in front of Congress to ask these questions, and she says that she doesn't have the resources to do her job and that there is one, quote, lonely toy tester in her office, one lonely toy tester who is responsible for the flood of millions, probably hundreds of millions of toys coming in from China.

When you think of the choices that have been made to give these massive tax breaks to the wealthy, to oil companies, to put our troops in harm's way in Iraq for a policy that's making this country less safe, not more safe, and what we got for all of that was one person who is charged with making sure that our kids don't get poisoned by toys over here, it boggles the mind.

Mr. RYAN of Ohio. When you think about hundreds of millions of dollars worth of trailers sitting in the gulf coast that never got used for Katrina, when you think about all the wasted, unbid contracts through FEMA, to Halliburton, and in the war, I mean, hundreds, hundreds of millions of dollars, billions of dollars.

Then all of a sudden we find that we have these regulatory issues, this is security, this is economic security. This is family security, when you hear Democrats talking about securing the country, it doesn't mean we want to start a war, it means we want to protect the homeland, and border security, family security, food safety, toy safety, product safety, these are things that it is our responsibility, as Members of Congress, to take care of. You have people sitting in towns and cities and counties all over the United States that are very, very concerned with this issue.

To have a person who is in charge of these kinds of things say we only have one person who is in charge of toy inspection, and we don't need any more money to do it is a complete dereliction of duty, of our responsibility here. When you look at what we are trying to do at every single turn, from raising the minimum wage to reducing college costs, to ensuring product safety, to ensuring food safety, this is about economic security. This is about homeland security. You know, 50,000 new cops on the beat, first responder funding. I mean, these are all things that we have been pushing and our friends, many of them on the other side, are obstructing this from getting done.

Mr. ALTMIRE. I wanted to do a couple of things. I wanted to talk about that one lonely toy inspector.

Mr. RYAN of Ohio. Do it.

Mr. ALTMIRE. I know the gentleman didn't have the number in front of him when he was talking about it, the number of toys just from China that were recalled last year. This is this year, the number of toys that we imported, this is the number of toys that were recalled, is 20 million, 20 million toys just from China that were recalled this year, and we have one employee at the Consumer Product Safety Commission that's reviewing those toys.

But we may have people out there that are watching us tonight that say, well, I don't have kids, I don't have toys. It doesn't affect me. Let me tell you, it does affect you. Let's talk about food safety and let's talk about what's happening right now with regard to that.

Just with China, recalls this past year ranged from bag spinach and peanut butter to contaminated wheat flour, all from China. That has brought fear to the Nation's kitchen tables. We have tainted food coming in from China as well.

I am not going to test my friends from Ohio and Connecticut, but I will tell you up front, less than 1 percent of our food imports are inspected. That is a shocking number. That surprised me.

Mr. RYAN of Ohio. How about the President the other day? This drove me crazy. He says, Congress is wasting their time with all these hearings. It ceases to amaze me anymore that we try to pass children's health care, and the President says, well, they can go to the emergency room. We are trying to have oversight so that we can have real product safety, safeguards up for food, and you are having all these hearings. We are trying to oversee what's going on in Iraq so we can, A, fix the problems we are having, but, B, finding all of these billions of dollars that have been going to these nonbid contracts and the jobs are not actually getting done. Then he said, oh, you are having all these hearings.

Then he said today, about the SCHIP bill, I don't know if you heard this, but he said, Congress is trying to pass this health care bill for kids, but it's really a trick. He said it was a trick. This is not a trick. This is us trying to pass health care for kids. He thinks it is somehow cute to say that on Halloween that this is somehow a trick.

Mr. ALTMIRE. I appreciate that. I want to talk about one of those hearings that we are talking about, the oversight hearings the President says is a waste of time.

Well, I would ask the American people if they think that the House Homeland Security Subcommittee on Emerging Threats has a hearing to investigate the Federal Government's efforts to protect our food supply chain, and the issue that I talked about where 1 percent of our food imports are inspected, I don't think that's a waste of our time. I don't think the gentleman thinks that's a waste of our time.

Mr. MURPHY of Connecticut. Let me give you a quote that comes out in one of these oversight hearings.

Mr. ALTMIRE. I yield to the gentleman from Connecticut, the New York Giants fan.

Mr. MURPHY of Connecticut. I will explain this to you later. It's very complicated. I reject the notion that just because a team calls itself after a big geographical area that I have to reform. I live in Connecticut, just because they call themselves the New England Patriots, but that's for another time.

Mr. RYAN of Ohio. We should have a hearing on that.

Mr. MURPHY of Connecticut. Let me give you a quote that comes from one of these hearings and you decide, we will let the public decide and our colleagues decide whether or not this is good information that maybe we should have out there.

David Kessler, who is the former FDA official and one of the acknowledged experts on food safety in this country, Kessler says, ''We have no structure,'' in this country, ''for preventing food-borne illness. The reality is that there is currently no mandate, no leadership, no resources, nor scientific research base for prevention of food safety problems.''

I think that's probably information that we should know, that one of the leading officials, one of the leading experts on food safety and food regulation in this country believes that we have absolutely no ability to control the quality of food coming into this country.

He knows what we know, the amount of inspections has dropped precipitously. We did about 50,000 food inspections in 1972. We do 5,000 now in 2000. We have dropped by 90 percent over the last 30 years the amount of food inspections we do.

We have these experts out there who had these opinions that they couldn't share because Congress wasn't doing oversight. Congress wasn't bringing before it the people who knew what was going on out there, knew the risk that the American public was being put at, they weren't being asked to come here and express those opinions to Congress. We are getting them now.

Mr. RYAN of Ohio. We are getting them now, and, of course, it's important to recognize that you probably can't monitor every piece of corn that's coming into the country or every product that's coming into the country. But what happens is if you do have a significant presence, one is in random inspections, there will be a general consensus among people shipping food into your country that there will be inspections, and they may get caught if they do not keep meeting the standards.

But at the same exact time, what this does here is if people are getting busted for sending food in from China, then all of a sudden you are going to see production increases here in the United States, whether it's toys being manufactured or maybe something else. So it's very important.

This is about safety. This is about protecting our kids. This is about making sure that our families have, when they are having Thanksgiving dinner, have a lot of knowledge and confidence in how the government is administering these programs.

Mr. MURPHY of Connecticut. Now that we are starting to shed some light on what's going on out there, the charts that you put up about the amount of imports into this country for unsafe toys and the incredibly quick decline and the amount of people that are charged with inspecting those toys, I mean, that's out there now. You would think that now that we finally shed some sunlight on the issue of unsafe toys and unsafe food and the number of people that are at risk and the problems with our current regulatory processes, that we could all come together and work on this now.

But what happens? Yet more obstinacy from this administration, yet more closing of their eyes and their ears to this problem. The Senate and the House are both working on reform pieces of legislation that will give new powers, new duties and new resources to these commissions, in particular to the Consumer Product Safety Commission.

That same director that we are talking about, the person that runs the Consumer Product Safety Commission, came and testified before Congress that she doesn't want any more powers. She doesn't want any more protection that she can afford the consumers, that she would rather see the status quo, effectively, is what her testimony is. Even now that the American public has awoken to this problem, that this Congress finally is talking about it, we still have an administration that says, I don't want to do anything more. I don't want any more power. I don't want any more resources. I just want things to be as they are. I want to close my eyes and my ears and hope the problem goes away. That can't be how we do things going forward.

Mr. ALTMIRE. I want to put this in perspective. I would like to bring this down to the level of the average family and what they are consuming when we are talking about some of these recalls with regard to food safety, and so people can understand at home what we are talking about.

I have a list in front of me, and I won't read through it all, because it's an incredibly long list, unfortunately, the recalls that have taken place just this year. Just this year. We are at the end of October, the last day of October, today.

But a couple of the big ones that stand out, I am sure everybody remembers back in February the peanut butter recall due to salmonella contamination, huge issue, people were sickened all across the country. The level of that recall, 326 million pounds of peanut butter across the country, and that, primarily, would affect children, children eating their peanut butter.

We had a 55,000 cantaloupe recall. Now, that came from Costa Rica, because of salmonella, just to show you how across the board this is. We had 9.5 million bottles of Listerine that were recalled due to a microbial contamination, and that was in April.

Throughout this list, month after month, there are multiple recalls involving millions of pounds of ground beef for a variety of illnesses that it caused, so ground beef, and from a number of different countries that we are talking about importing.

We have food recalls involving apple juice, 113,000 units of apple juice were recalled in August.

Then, lastly, everything up through pot pies, we just had this month, they were recalling pot pies due to salmonella contamination. So when we talk about 1 percent of the food imports into this country are inspected, it affects our entire food supply. Yes, this is a health issue, but this is also a national security issue. That's why we are having some of these hearings that we are talking about.

□ 2100

And I'm very grateful that we have been joined by the distinguished colleague of ours from Florida, Miami, Mr. KENDRICK MEEK; and I would, at this time, yield to him.

Mr. MEEK of Florida. Thank you so very much, Mr. ALTMIRE. I was very pleased to have had the first half of this hour to trick-or-treat with my kids. We had a great time. And my daughter was some very scary—I don't know what her, she couldn't quite explain to me what she was, but I asked what, I mean, What are you? She said, I'm your daughter. So that was like, okay, I won't ask any more questions. My son was a Secret Service Agent, so I was well protected.

Let me just say, gentlemen, and I think it's important for the Members to pay very close attention to what we've shared with them, and I'm so glad that we are heading towards safer toys, safer food, safer medicine. Too many times in the news we hear about how loose we are with other countries being able to not have standards and quality control in place, and it ends up affecting everyday Americans, and it disrupts business. We have rumors about things being unsafe, and it's making Americans feel more uneasy about it. And Mr. ALTMIRE, I'm not one to make a, you know, start fire alarms and carrying on and scaring people, but it is pretty scary, the fact that we do have, in some cases, as it relates to those that certify the toys that can come in and out the United States of America as relates to safety and setting requirements for children, it's just one person running that office. And we're the biggest democracy or one of the superpowers of the world, one of the biggest democracies. And I think it's important that we shed light on this. The people count on this Congress to govern. I think the reason why it hasn't happened to this point, of the cozy relationship that the previous

Congress has had with the business community, even when those that are in the business community will fare far better if we were to have the kind of standards and controls as it relates to the importation of toys and food and medicine. I look forward to the debate.

It's very unfortunate, and let me just say something, because I know Mr. MURPHY said something a little earlier about, you know, now we're moving in this direction, we're hearing some push back from the administration. I'm not a black man with a conspiracy theory, but I will say that there's, I think there's a push out of the administration to see the Democratic Congress not be as successful and not heading in a new direction as the American people voted for. I think some politics has something to do with this. It's very unfortunate, especially when we're looking at this kind of legislation, Mr. ALTMIRE and Mr. RYAN. I think it's important that everyone pay very close attention to the new direction agenda, that this card continues to get more and more on it as it relates to accomplishment. And, Mr. Speaker, it's a bipartisan accomplishment. That's the good thing about it. We have Republicans voting for Democratic bills. They would have voted for it all along if the Republican leadership allowed that legislation to come to the floor.

So I think it's important, Members, that we continue to push on, that we continue to encourage our colleagues on the other side of the aisle to join us in accomplishing what the American people wanted us to accomplish. Independent voters, Republican voters, Democratic voters, reform party, what have you, they're looking for results. They're not looking for back-and-forth on my idea is better than yours and nothing ever happens. So I'm just honored to be down on the floor with you Members here.

Mr. RYAN, I'm honored always to be here with you, sir. I mean, a very important member of the Appropriations Committee, he had a couple of bills pass off the floor today. It's great.

Mr. RYAN of Ohio. Well, you know, one of the things we talked about while you were out trick-or-treating was the connection between the money that has been borrowed by the past three Congresses and the administration from China, that's now our bank, and how their exports have been facilitated into this country, in this instance, the toys. So it's very difficult, I think, from a perspective of someone who's borrowing money from a country to say, hey, wait a minute; we've got some real issues with doing business with you. It becomes very difficult. And so I think our position with China, borrowing the money, the OPEC countries and many, many others, has put us at a significant position of weakness in dealing with a variety of foreign policy issues, but also dealing with issues like this.

Now, I showed this chart earlier, Mr. MEEK, and I know, I think this was your idea to get it. But this is the chart of the number of toys being imported into the country and the number of employees that are assigned to protect the consumer. And so, much of this, much of these imports have been from China, and I don't think it's a coincidence that we want to somehow facilitate business with this country, which is fine. We know we have to do business in a global economy. But you don't do it at the expense of the health, safety and welfare of your own citizens.

Mr. MEEK of Florida. I'm sorry. Will the gentleman yield real quick?

Mr. RYAN of Ohio. I would be happy to yield.

Mr. MEEK of Florida. You know, Mr. RYAN, again, I don't have a conspiracy theory, but, hold that chart. Don't do away with that chart. You can pass it over here. I just want to make a point here.

It's interesting that everything seems to have happened in 2000. Look where it was in 2000 and look what happened since then. I wonder who's been in charge of the country starting in 2000. I mean, we're not speaking, I'm not, you know, I'm not trying to say anything. I'm not talking about anybody. I'm just talking about what I'm talking about. And the real issue here is the fact that, I said that, it made as much sense as this chart is making sense right now, but the real issue is that it's been an ongoing issue. A lack of regulation, a lack of, I mean, more freedom as it relates to China doing what it wants, what it would like to do.

The TAA bill passed off the floor today to give U.S. workers an opportunity to be retrained, which was very, very important. It was important to the States, and it's important that we bring some sort of balance back to this. It's nothing wrong with a global economy. But it's everything wrong when we allow other countries to have the upper hand on U.S. companies and also U.S. workers, and we have to have the standards in place.

But thank you, sir. This wasn't my idea to do this chart. I will not take credit for it. But I just wanted to let you know.

Mr. RYAN of Ohio. Well, I know you have a lot of good ideas.

Mr. MEEK of Florida. I have a lot of great ideas.

Mr. MURPHY of Connecticut. Let me read, Mr. MEEK, to you from a, you guys all say third-party verifiers, right? Validators. Kind of means the same thing. Half a dozen, six. So this is from a report called Toxic Trade done by the Campaign for America's Future, and we'll go back to this problem that we have at the CPSC regarding toy testers. It says this: The agency's toy testing department, it's lab hasn't been modernized since 1975, and the department consists of one man who drops toys on the floor in his office to see if they'll break. I mean, that's it. There you go. I mean, that's the toy testing regimen of the United States Government is a guy, and I'm sure he's a wonderfully nice guy. But he sits in his office at his desk and he takes toys and he drops them on the floor to see if they'll break. I mean, that's what we got now. That's what you got for these record deficits, for all the spending in Iraq, for breaks for oil companies and drugs companies. You've got one guy who drops toys from his desk and sees if they'll break.

Mr. RYAN of Ohio. We just need to, I think, look back, and I say this with the utmost respect, Mr. Speaker, because the President basically, yesterday, in his press conference, I think it was yesterday or maybe today, in his press conference basically was making fun of Congress for holding hearings, making fun of us. But when you look at what we're holding hearings on, we're trying to fix problems that we have in the country. So we're having hearings on FEMA and the disaster that we all saw on TV at the gulf coast. We're having hearings on Iraq, the unbid contracts, the problems that we're having there, the wasteful spending, the billions of dollars that the Pentagon doesn't know where it is. We're trying to have hearings to find out what's going on. Hearings on toys. I mean, we're trying to figure out how do we fund this, how do we have enough consumer product safety workers here in the country to make sure that our people are safe when you're dealing with products or food. I mean, when the administration then continues to make light of these very serious concerns, it's troubling to us to somehow say that we're holding hearings, which is our constitutional duty. Article I, section 1 of the Constitution created this body.

So, again, we have Katrina, we have the war, we have toys, we have passports, FEMA, we have all of these issues that we're dealing with in this country. I'm sorry if we're trying to solve these problems.

I yield to my friend.

Mr. ALTMIRE. I thank the gentleman from Ohio. I have people all the time in my district, Mr. Speaker, that come up to me and talk about that passport issue that Mr. RYAN mentioned. We had hundreds and hundreds of travelers over the summer months that needed the help through our office, and I'm sure you had the same experience because of that 500,000-case backlog at the State Department. They were unable to deal with it. They put forward this regulation. They didn't have the resources to deal with it, very similar to what we're talking about with the Product Safety Commission. These are the types of things that we are holding hearings on. We're trying to get to the bottom of it. And when the President talks about, well, we're wasting our time by holding our hearings, I'm not sure what his inference is. I'm not sure what he would have us be doing, because it's not as though we haven't been doing our work here in this Chamber, because tomorrow, we begin the 11th month of the year, and

through the first 10 months, as the gentleman knows, this Congress, the 110th Congress, compared to any other Congress in the history of the country, the 109 that came before us, through this date and time, this Congress has met more often and taken more votes than any Congress in the history of the country, bar none. So for the President to insinuate that we're holding these hearings and doing nothing else, again, it's inconsistent with the facts.

Mr. RYAN of Ohio. If the gentleman would yield, it's, I mean, we're obviously in a very complicated world. We're trying to solve some very complicated problems. And the frustrating part is when you have the President of the United States have a series of comments throughout his administration that have basically, you know, simplified all of these issues. You know, after 9/11 the big great challenge he gave us, Mr. Speaker, was to go shopping. You know, we try to pass children's health care and he says, well, you can get health care at the emergency room. And then, Mr. MEEK, at his press conference today, he said that our whole children, SCHIP, trying to cover 10 million people program was a trick on the American people. These are, you know, we're wasting time holding hearings.

There are very serious issues that our families are dealing with, and to have the President of the United States, the most powerful man in the free world, someone who is able to stop children's health care from being administered in this country to 10 million kids, someone who's able to veto bills, and you need to rally, you know, a lot more Members of Congress in order to pass something, to try to simplify and make light, and I like to have as much fun as anybody else and we have our share of fun here, but we're dealing with some pretty serious issues. That the President's behavior and tone and temperament and comments on these issues becomes very frustrating.

I yield to my friend.

Mr. MEEK of Florida. Thank you, Mr. RYAN. Personally, I'm just kind of glad that the President's criticizing the Congress for doing what we should do. The American people voted for a new direction. We have the fruits of the new direction here in these very new Members of Congress as it relates to the majority makers giving us, empowering those of us that have been here, and they're bringing ideas to the table as it relates to moving in a new direction. If I was the President, I would try to, you know, shut off the light bill over here at the Capitol so that we can stop working so that we can stop uncovering half of what's going on.

I mean, Mr. RYAN, you gave one, you have one of the best clips on YouTube saying this is the same administration, and he goes down the line because someone on the floor, I think, last year or the year before last criticized Democrats for questioning the President. And Mr. RYAN said, I'm sorry, but this is the same administration that told us that we had to go to war, weapons of mass destruction. This is the same administration that outed a CIA agent. I mean, this is proven stuff. This is not fiction. This is fact. And I always say, gentlemen and ladies, that when people look back on this period, they're going to see who was actually about the solution and who was actually validating what the administration has been doing. And I think that it's important for us to have this balance. And I think it's important for us because we, the four of us here on this floor right now, we're just like every other Joe and Sue out there. I mean, I was a skycap once upon a time and a State trooper. And you know, I carried luggage, ''Yes, sir,'' ''No, sir.'' I went out and patrolled the highways and byways in the State of Florida and offered myself to be a State Representative.

□ 2115

I had a district office right there and went to Tallahassee and did what I had to do. Many of you, the same track as it relates to the State legislature or local elected officials, and we heard this. So now we're the same old Joe that left our local districts. Now we are in Congress, and we are going to ask the questions that the people that we represent will ask us. When I go home and I go to the grocery store, people ask me, What is going on? What do you mean? The President doesn't want it to happen. I said, it's not about the President's standing against children's health care insurance; it's about enough Republicans on the other side of the aisle that are standing with him, and that's what it's about.

And so I think it's important, gentlemen, that we look at it from that standpoint. The President is not running for reelection, but there are Members of Congress that are running for reelection. And it should not be a secret that come next November on a Tuesday morning or before as it relates to early voting, absentee voting, people will be able to stand in judgment of the individuals that are validating what the President is saying.

So it's really like which side of the ball are you on? Are you on the side of fiction or are you on the side of fact? The fact is about accomplishing things with the Democratic majority and some Republicans joining us in that effort, which I enjoy because we talk about bipartisanship and we are actually doing it, or those that are saying we have to stand in the way because we can't allow the American people to see a Congress that's functioning and questioning the executive branch.

Mr. RYAN of Ohio. Can I make a point too? And I want to say this because we all have a lot of good friends who are on the other side who have voted for the Labor-Health-Education appropriations bill, voted for defense, voted for the vets; and the argument being made today was that somehow this was unique that we are putting several appropriations bills together. If you ask people in our districts, the whole process is foreign to them anyway. It's just get the job done. And when we look back at our Republicans friends, Mr. Speaker, when they were in charge, on 59 different occasions, had put bills together like we're trying to do. And so I think it's important. We are trying to get the job done. But this is not every Republican. This is, in my estimation, some very fringe, extreme members of the Republican Party who are basically backing the President on these things, and he has just enough Members on the Republican side to sustain a veto.

Mr. MEEK of Florida. In the House.

Mr. RYAN of Ohio. In the House.

Mr. ALTMIRE. I know we're very short on time; so we'll turn it over to Mr. MURPHY shortly to close out.

But you talked about combining these appropriations bills and the criticism that we received from the other side. I wanted to remind my colleagues of the last time that this happened. It was very recently. We shouldn't need to remind them. It was just in February. And the reason we had to combine nine appropriations bills from last year in this session of Congress was because, after the outcome of the elections in 2006, the Republican Congress said, I'm done, I'm going home. I don't care about these nine appropriations bills. We'll leave it for the next group to fix. And that is what we had to deal with when we came in, nine appropriations bills that were not completed from the previous fiscal year. We were in the current fiscal year doing last year's work. So I couldn't believe what I was hearing today on the floor when we were being criticized for combining three appropriations bills in the current fiscal year when they left us with nine bills incomplete that we had to deal with.

Mr. RYAN of Ohio. It's the same disjointed kind of argument that the President, Mr. Speaker, has given us on the SCHIP bill. This is 10 million kids, $35 billion over 5 years. We could pay for these 10 million kids to get health care for a whole year for 40 days in Iraq. And the President, who has run up $3 trillion in debt, borrowed it from China, raised the debt limit five times, is now going to draw the line in the sand on fiscal responsibility on 40 days in Iraq to provide health care for 10 million kids. I mean, there are so many disjointed arguments and floating pieces that are going around here that just don't make a whole lot of sense to many of us.

I hope that we can try to continue to push to get more Members on the other side of the aisle to join with us to do some pretty basic things that the American people want us to do.

Mr. MURPHY of Connecticut. Thank you, Mr. RYAN.

I have to say, Mr. Speaker, it has been an honor to stand in the shoes of Mr. MEEK and get to anchor this hour today. I feel like a better person, a better man for it.

Mr. MEEK of Florida. If the gentleman will yield, I wear a size 15. I don't think that you probably can stand in my shoes with your shoes on.

Mr. MURPHY of Connecticut. It would be pretty tight.

With that, Mr. Speaker, we thank Speaker PELOSI for allowing us this time. We can always be found at 30–Something Working Group on the Speaker's Web site, www.speaker.gov.

WHAT IS CONGRESS' PLAN FOR AFFORDABLE ENERGY?

The SPEAKER pro tempore (Mr. ARCURI). Under the Speaker's announced policy of January 18, 2007, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for 60 minutes.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I rise tonight to talk about a different subject than you've been hearing about, one that I think should be talked about in the halls of Congress here: What is Congress doing about available, affordable energy for America?

I know it's Halloween, but when we find out the price of oil today on the market, we are all going to think it's a Halloween joke.

First, I want to show the record of oil prices, of how they have been rising. Now, this doesn't show the spikes up and down all along. These are annual average prices.

Just last week I was here speaking and we were at $90. But today I think we're off this chart because at the close of business on Wall Street today, oil was $94.53 a barrel.

I don't know about you, but that puts fear in my heart. The winter season is coming. People are going to need to keep their homes heated. People are going to need fuel to drive their cars. The American economy is going to need affordable energy to compete in the global economy. On October 31, 2007, oil closed at $94.53.

Now, 6 years ago, it doesn't show it on the chart, but 6 years ago, natural gas was $2 a thousand; now it's $8. Oil was $16. This is a 600 percent increase in oil prices in just 6 years.

Is it an issue? It hasn't been mentioned here today. It wasn't mentioned here yesterday. It wasn't debated last week. We are going to have record high home heating oil prices for those heating their homes, record high diesel prices for those who are transporting our goods up and down the highways, and so I guess the fair question is, what is Congress's plan for affordable energy for America?

Months ago I was down here on the floor and debated the House bill. The House passed a bill. We'll talk about it later in content. And simultaneously a little later, and the Senate is usually a little behind, they passed a bill. Now, you would think with energy prices spiking to record levels, there would be some sense of urgency in Congress. There would be some sense of urgency to get the Senate bill and the House bill together and get it on the floor to help Americans meet their energy needs.

Now, we have had some interesting things happen here. Speaker PELOSI forced the curator, those who run the Capitol here, to switch from coal to gas so we could lessen our carbon imprint. Now, that's going to cost the taxpayers $3 or $4 million because gas is the clean, green fuel and she thought it was better that we heat the Capitol with gas and not coal. Now, what is interesting is it would seem like we should be about conserving. I haven't seen a dollar appropriated to put double-pane windows in all of the Capitol complex. Most of them are single-pane glass. Now, most of us at home have done better than that. My office building, single-pane glass. On a cold winter day it frosts right up. It transmits lots of heat out, lots of heat in. Depending on where the heat is, it goes right through single-pane glass. But wouldn't it make more sense to conserve energy in the Capitol complex and do energy efficient windows and doors? No, we just switched fuels and spent an extra $4 million so our carbon imprint was less.

Now, we have also mandated that all government agencies, including ourselves, use those little round fluorescent screw-in light bulbs. I have some at home. My wife doesn't like them. I don't like them if it's a reading light. At least they vary. They are not the same quality of the incandescent bulb we are used to. We're spoiled. But we have mandated those in every appropriations bill this year, and what's disappointing, though, is that they are all made in China. We are mandating that our light bulbs come from China.

Now, while we talk about energy, we can talk about why we have such high prices. I want to switch charts here. And here we have a chart of the percentage of imports for America. Now, this chart is a little behind. It actually is almost up to 70 now. Every year we increase dependence on foreign, unstable countries by 2 percent. That's in the last decade. Every year. I think that number is going to increase, and I will explain to you why later, that it may even go up faster.

Now, while we are becoming more and more dependent on foreign oil, we have countries like China and India, and this is one of the reasons for high energy prices today. We have always been the only big user. We have always been the big dog economically. Well, we're one of the pack now. There are a lot of big dogs out there. China and India's energy use is increasing between 15 and 20 percent a year. They are building a coal plant in China every 5 days. They are opening a new nuclear plant for electricity every month. They are building the largest hydrodams ever known in the world routinely. They are buying up oil and gas reserves and making deals with other countries all over the globe so that China has the energy it needs to run its country. What is America doing? We will talk about that.

America does not have an adequate sense of urgency about providing energy for America, affordable energy for America. We passed a bill in 2005 that had a lot of positive incentives. But the problem is when you pass a bill, it's years before you have production of energy. And many of the incentives that were in that bill, many of the things that were helping us produce more energy are now being tried to be rolled back by the Democrat bills that are going to come before us, that have come before us, and will come back before us again in a conference report, and we will talk about that in more detail.

What does America want us to do? Well, the Americans I talk to, they want to be able to afford to heat their homes and drive a decent car. They'd like to be able to afford to buy food and other things after they pay their energy bills.

Now, these energy bills that have been passed some months ago have been languishing. I haven't heard much discussion. In fact, I haven't heard of a conference committee meeting.

□ 2130

It doesn't seem like 3 weeks ago when we had $80 oil; that was enough sense of urgency. It doesn't seem like last week when we had $90 oil; that was enough sense of urgency. And here we are at $94.53 oil, and that doesn't seem like enough sense of urgency. Now, reading the Wall Street Journal today, the article was scary, it said, ''We don't expect oil to stop at 100.''

Now, I expected energy to get expensive this year. I've been predicting it. And I had someone say, How did you know that? And I said, You've just got to be watching what's going on. There's an oil shortage in the world. There is tremendous demand because all the developing countries are now driving cars and have factories and are using energy. And specifically the big ones, like China and India, their economies are growing at record paces, are consuming a lot of energy. And we're going to be competing with them down the road.

What scares me, and I'm going to put $94.53 back up here, because that's correct. Here is what's scary about $94.53 oil. We, for the first time in many years, have not had a storm in the gulf. Every time we have a major storm in the gulf, it reduces supply of oil and gas; about 40 percent of our energy comes from the gulf. So when a storm like Katrina or Rita hits the gulf, or even one not as severe as them, it shuts in a lot of oil for weeks and months, and any damage that's done to rigs or refineries or pipelines or processing stations for the gas, it just shuts down capacity. We get a lot less energy after a Katrina. Some of those were not repaired for 9 months to a year, and that energy is just lost. You just don't get it because you have to keep producing every day.

Now, we have not had, for the first time in years, a storm in the gulf that has disrupted any amount of supply. That's a record. We always have at least one storm. And we still have a few weeks left, but the season is getting short. We have not had an unstable country. And the fact that's scary with $94.53 oil is that now about 90 percent of the oil in the world, of known reserves, is not owned by companies, but is owned, produced, refined and marketed by dictator, unstable, unfriendly governments. So a majority of the energy in the world is controlled by unfriendly, dictator-type governments. And if one of those tips over and their 3 million barrel a day is disrupted, where will the price go?

I asked one of the large energy producers this week in my office, I said, what if we have a storm in the gulf? $120 oil in 2 days, a serious storm. And this company knows because they produce there; they produce about one-third of the gulf. What if a terrorist struck a sending port or a ship or a major pipeline or a major refinery? Where will energy prices be? These are all potentials.

And I have been predicting this, and I have energy experts tell me I'm probably not wrong, we will read in the paper one of these days where China has purchased the total supply of some country that normally sold us oil, and that oil will no longer be available to us.

And on gasoline, we don't produce enough in this country. We don't have enough refining capacity. Twenty percent of our gasoline comes from Europe because when they switched to diesel, they have excess gasoline capacity, so they sell us gasoline. And this spring, when we had abnormally high gasoline prices, we had 60-some-dollar oil and we had $3 gasoline. And I was shaking my head, what's going on here? That's not normal. But that's what was happening. And so I checked, and here Europe was short on gasoline. They didn't have enough to sell us. And so there was a shortage in the marketplace, and of course Wall Street ran it up, abnormally high prices.

Now, today, with $94.53 oil, or more than $90 all week, if that translated into a market gasoline price, we're probably talking somewhere between $3.39 a gallon for gasoline and $3.59 a gallon of gasoline, depending on where you're at in the country. That's a long ways above the $3 price that we're approaching right now. And that's going to come because 80-something-dollar oil will put us at $3.19, $3.29 gasoline; $90 oil is going to push us up into the mid $3. And it's just a matter of time because, at the end of the summer driving season, when we switch the refineries over to make it home heating oil, there was a little surplus of gasoline in the marketplace, and so it has held the price down. And when that burns off and there is none of that left, we will be paying a lot higher prices to drive our cars because the truck people, the fuel oil is already up there. It's already higher, much higher. And home heating oil is much higher. Those who didn't fill their tank early this year for home heating have missed that opportunity because those high prices are already there.

The question I ask, I was concerned, and there are those who I've talked with that know a lot more than I felt that $75 oil for any period of time would put America into a recession. Now, that didn't happen, because we've had higher than 75 now for quite a while. What figure can the American economy absorb and not go into recession? All of our recessions have been energy driven, almost all of them. I think maybe there was one that wasn't, one or two. Every time we've had a recession in this country, and they last for years, a lot of people lose their jobs, employment slips, tax revenues are down, the government doesn't have enough money to pay its bills, a lot of Americans are hurting, unemployment rates go up. What figure can America absorb and not have a recession? Well, I don't think we have any wiggle room. I don't personally think we can handle this for a very long period of time. I'm not the expert, but a lot of people agree with me.

And I want to tell you, it's almost guaranteed that this is not the ceiling. See, we don't have a spike here because of a Katrina, a country tipping over, or some terrorist attack in the supply line system. Things are kind of going along. Now, there is a lot of instability in the world, but there is always lots of instability in the Middle East, so those little tremors come and go. So, what price can the American economy absorb? I don't think much higher.

The other thing that we don't talk about is natural gas prices a lot because people don't realize that natural gas prices are not like oil. This is a world price. Natural gas prices are country by country. And for 6 years now America has had one of the highest natural gas prices in the world, and that puts all of the manufacturers in this country who use it for heat and who use it as an ingredient, and we will talk a little more about that later, are at a tremendous disadvantage because of our continued very high natural gas prices.

Yes, it wasn't very long ago, just 6 years, that we had $2 gas and $16 oil, and today, we have $94.53 oil. And our dependency is at 66 and will soon be 70. America should be concerned about that.

I remember people talking that, when oil was cheap and gas was cheap, use foreign oil. We will use theirs while it's cheap, and we will use ours when it's expensive. Well, theirs is expensive, but we're not using ours.

Here is the map that's interesting. These red circles are areas loaded with natural gas and oil, and they're off limits to production. We're the only country in the world that says our Outer Continental Shelf, that's around the edges, 85 percent of it, is not open to production. Canada produces there, Great Britain produces there, Norway, Sweden, Denmark, New Zealand, Australia. Now those are all environmentally sensitive countries; they all produce there. Norway has become a rich country because of their offshore oil finds.

And a lot of people talk about Brazil being energy independent because of ethanol. Ethanol was just a piece of the pie. Brazil also went offshore and produced their energy. America, for 26 years, a combination of Presidential and congressional moratoriums from producing energy on the Outer Continental Shelf, and many parts of the Midwest like this one are locked up, too. And the legislation that's coming before us will lock it up some more.

Now, I don't understand that. I don't understand where a six-inch hole in the ground with a steel casing producing oil or gas, and specifically clean natural gas, is a threat to our environment. All the studies show that offshore, the majority of the oil that's found is from leakage of ships or natural seeps, because when oil is under high pressure underground, it will find its way to the surface. In fact, I come from Titusville, Pennsylvania, the home of the first oil well, Drake Well. We're all very proud of that. It changed the world, it started the Industrial Revolution. It started the new transportation system. Oil that was transportable, refinable, and it developed this country into the power it is today.

And it has the potential today of making us a second-rate nation because we refuse to use our own energy and we're forcing ourselves to purchase from unstable, undependable countries around the world. And their $95 oil, they're going to own us.

We just heard people talking here about them buying our debt. Yeah. Because we're spending so much of our resources purchasing energy that we have, but we've locked it up. I just find it amazing.

Now we're going to look at the legislation that should be coming, but there doesn't seem to be any sense of urgency. This is sort of a compilation of the energy bills that have passed both the House and the Senate and have not been conferenced on.

Now, first what we're going to talk about is it locks up 9 trillion cubic feet of American natural gas. It cuts off production from the Roan Plateau, a huge clean natural gas field in Colorado that was set aside as a national oil reserve in 1912 because of its rich energy resources for our future. This means that 9 trillion cubic feet of natural gas, more than all the natural gas the OCS bill that passed last Congress was put off limits.

Roan Plateau has already gone through NEPA. That's the environmental assessment that says it's safe to do it, all done. It is ready for lease sale. The provision was not in the original bill when it came out of the

Resource Committee, but was added almost with no debate, no hearings, and no real serious discussion. Make sense? No.

The next part here locks up 18 percent of our Federal onshore production of American natural gas. It cuts the categoric exclusion provision. And I will explain that a little in my terms. I helped put that in in the 2005 energy bill.

Redundant NEPAs allowed the anti-energy people from allowing the Americans to produce energy. So, land would be leased in the West, mostly in the West, and 5 or 6 years later, after they purchased the rights to it, they still weren't producing it because they were required to do multiple NEPAs. They do a NEPA on the original plan. Then they have to do a NEPA for the road plan. Then they have to do a NEPA for every site. And then for putting in the production equipment, another NEPA. So year after year after year, a NEPA study takes about a year. So years later, they still didn't have any production.

And so we said that one NEPA that covers all the aspects of producing energy in that area should be done, and that should pass the test. And we shouldn't do redundant NEPAs. But now they want to go back.

It locks up, this is huge, the third one, 2 trillion barrels of American oil from western oil shale. Now, western oil shale, everybody knows, is a huge oil reserve, and the underground can be tricky. We have oil companies on some of the private land they own there trying to release this, and they think they have a way to do it. It is somewhat similar to the Canadian tar sands. The Canadian tar sands have been around since I was a kid. In fact, I have a neighbor who bought rights to them many, many years ago, and he's now laughing because everybody wants to buy them at huge prices. And I don't know whether he has sold them yet or not, but I was kind of stunned that he was smart enough 30, 40 years ago to buy tar sands in Canada as an investment. And today they're producing 1.5 million barrels a day there. It's just over the American border into Canada. And their goal is to be up to 4 to 5 million barrels a day down the road. And fortunately for America, most of that's coming here. Our biggest supplier of energy is Canada, our good friend.

Now, Canadians are a little frustrated with us because they produce their energy resources. They're offshore, they're onshore, they're tar sands, and we keep locking ours up. Thus, North America has the highest natural gas prices because of us. If we produced equal to Canada, North America would have reasonable natural gas prices, not the highest in the world. But they keep selling to us.

Now, this 2 trillion, this bill stops the leasing program for oil shale reserves on Federal lands that will hold enough oil to supply us for 228 years. Now, that's a study. If it's half that, if it's a third of that, it's huge, and it could eliminate our dependence on, and that's the only reserve that I know of, that if we learn how to release it, could eliminate our foreign dependence on energy. But that's the only way.

□ 2145

But that is the only way. This is more oil than the entire world has used since oil was discovered at Drake well in my district 150 years ago. Meanwhile, in China, they are busily developing their oil shale fields.

The next one here locks up 10 million barrels of oil from the National Petroleum Reserve in Alaska. That is, again, an area that was set aside for production, set aside in 1923 for production of future energy needs in America. Then the next one breaches legitimate legal offshore energy contracts, and I have had several of those companies come in to me and say, hey, this is a contract. If Congress changes that, we are going to win in the Supreme Court because Congress doesn't have the right. I am not saying I agree with these leases and how they were done. They were done in the Clinton administration, but we have this legislation coming that is going to override those. It won't work. It will just delay the process. I am hoping that we can continue to negotiate these leases and have them out of the way.

The next one is really foolhardy. There are a lot of Members of Congress who hate oil companies. This inflicts a $15 billion tax increase on the American oil and gas industry. Seventy-five to 80 percent of the energy in this country is not produced by Big Oil. It is produced by little companies. I have two refineries in my district who will now pay a higher tax than any other company in Pennsylvania if this bill becomes law because we are going to tax the production of energy with an added tax over any other business.

Now, when you are short on something, and the prices are high, if you want to get less of it and make the prices higher, the sure remedy is to tax it. Well, they are going to tax it. I am not going to, but they are going to tax it.

Now, the next one down here, I am a big proponent of offshore drilling, and I will talk about that later, but I am also a big proponent of using coal, to gasify it, to make electricity, and that is called clean coal, and make liquids out of it. Penn State has a process to make jet fuel out of coal. The Air Force is in the process of trying to figure out how to have 60 percent of their jet fuel available from nonimport sources. They are working with natural gas right now. They are doing other studies, too, but they are working with natural gas now. If they are successful, and they get 60 percent of their 3 billion gallon a day, they are going to inflate gas prices even more, which will make it harder to heat our homes. I will talk more about that later. But coal to liquids should be getting the same treatment as cellulytic ethanol. I am for cellulytic ethanol, and this administration is funding six plants. It is still in the test tube. We are still working at it in the university laboratories, but I am for building those plants and streamlining this process. I think one plant is going to try to make it out of garbage, another switchgrass, another cornstalks, another one is woody biomass, but we need to be doing all those things. But to be not having an equal emphasis on coal to liquids, I fault this administration, and I fault this Congress. Because that is the largest energy source we have. We need to figure out how to use it cleanly. We need to be developing, and again, curtail our dependence on foreign countries.

Now, we also have in the legislation a false expectation by mandating a 15 percent of renewables to make electricity. I wish that were doable. I would vote for it if it was. I didn't vote for that. I voted against that amendment. I fought against that amendment. We currently make 3 percent of electricity with renewables because they will not count hydro, only the new hydro, and there is not much new hydro coming down the line. So to go from 3 percent, they are going to allow cost savings of 4 percent, so that gets us to 7, but the growth of wind and solar is nowhere near enough in the next decade or two to get us to 15 percent.

Now, what we are going to do is we are going to force those companies to pay fines. Do you know who is going to pay the fines? The electric rate users. Some States will come close because they have a lot of wind, and there are States that have solar. But most States will not. It should be an incentive-type program. It should be a carrot, not a stick. We should be incentivizing renewables for electricity. But when you mandate 15 percent, and I have charts and graphs to show that. I don't have them with me tonight. But there is no way to get there in the time frame they are asking.

I am going to change charts here and talk just a little bit about current energy use in America. These don't change a lot. I have been watching them for a long time. Currently, petroleum is 40 percent of our energy needs, and 66 percent of it comes from foreign, unstable countries. That number is going to escalate if we lock up the Roan Plateau. It is going to escalate if we lock up shale oil. It is going to escalate if we tax energy production and make it more expensive. Natural gas is 23. Now, this is a growing figure. It is interesting because about 12 or 13 years ago now, Congress removed the prohibition of making electricity with gas. That is when gas ceased to be cheap. We have always had $1.80, $2 gas, and it would go up a little, down a little, maybe up to $3 a year, $3-½ or $4. I remember some of those years in the seventies when it was a lot more costly to heat our homes. But it would come

back to $2 or $1.80. It never went much above $2. Now, it is way above. It is $8 and something right now, and we are still not into the high season. The average price for the year is somewhere between 9 and 10, and then when you get transmission costs and storage costs, we, as consumers, are going to be paying $13, $14, $15 for gas.

I believe that clean, green natural gas is really our best hope. But we have to drill for it. And people in this Congress are just as much against drilling a gas well as they are against drilling an oil well. And I think they are wrong on both. But there is no good argument. There has never been a beach dirtied by a gas well. There has never been an environmental threat by a gas well. It is the cleanest fuel we have. There is no NO_X, no SO_X, and a third of the CO_2 if that is keeping you awake at night.

Now, coal is 23 percent. Coal has great potential for liquid or gas. But there is a real push around here against coal. I think it is a mistake. It is the one we have the most of. If we continue that, gas will be the winner, and gas prices will continue to rise. And if we continue to have the highest gas prices in the would, we just won't be a competitive country. Nuclear is at 8 percent. From the 2005 bill, we have a lot of companies going in for permits now. We need all 35 that are starting the process to be completed in a very short period of time if we don't want this figure to go down, because the energy electric use in this country is rising fast and nuclear is about 20 percent of it. But that figure will drop because nuclear has not grown. We haven't built a nuclear plant in a long time. The interesting part is, as we attempt to build nuclear plants, the shroud, which is the big steel casing that they use, we don't make them in America. The companies that are that far along in the permit process are buying them from Japan. I find that unfortunate, and someone told me an awful lot of the components are going to be purchased in Germany because we don't have the capacity because we have done so little with nuclear in the last decade.

Hydroelectric, a figure that continues to decline. Biomass is the fastest growing figure. That is wood waste. A lot of it is being used. There's a million Americans heating their homes with pellet stoves. That is compressed wood waste. We have power plants that are using it to top the coal load so that they can slide under the environmental standards because it burns a lot cleaner than coal. We have a lot of companies in the wood business and around where there is wood waste using it to heat their factories. Most of the dry kilns drying wood are now biomass burners. So biomass has just been sort of growing on its own because sawdust used to be a commodity. I remember in Pennsylvania when I was in State government, they were trying to make it a hazardous waste. I fought that because it is not a hazardous waste. And now it's a commodity that sells. People want it.

Geothermal, a nice way to heat your homes if you are not in zero climate. In a mild climate, it is a good exchange of using underground water, whether you have a loop system where you have a big piping system with water or whether you drill into the aquifers and use that water, you take heat out of it in the wintertime to warm your home, and you take cold out of it in the summertime to cool your home. But, again, it is an investment up front. I know people who have it. If they build a second home, they usually put it in unless they are in a high zero where there is a lot of cold weather. It has its limitations when the weather is zero.

Wind and solar, this is the part that I find scary. Too many Americans think that wind and solar are prepared to become major energy sources. You can see the numbers, 0.06, 0.12. If we double those numbers, they are still a pretty small fraction, and it will take years to do that. But, unfortunately, an awful lot of Americans want this group right here to be our major energy source. I wish there was a way to do that. There are an awful lot of Members of Congress who think petroleum, gas and coal are just evil and we shouldn't do any more production of it, and they won't vote for a bill to lease land. They won't vote for a bill to open up areas. Some of them are against nuclear. Some aren't. That is a mixed bag. But, folks, this is the major part of America's energy production. It is 94 percent of our energy production, nuclear, coal, gas and petroleum. And it will be a major part of our energy portfolio for a long time whether we like it or not because none of these are prepared to take over. I wish they were.

Now, there's a lot of creative things. But they are little niche players. They are little niche markets. They are not huge volumes. So it is important that Americans understand that whether we like it or not, fossil fuels are going to be our major energy source a lot longer than we want them. If we continue to not produce our own, then we are going to have to buy them from foreign countries.

Now, I want to talk about natural gas a little bit. This is America's gem. We have lots of natural gas. And I find it astounding that so many Members of Congress and three administrations in a row have locked up our Outer Continental Shelf, which has huge reserves of clean, green natural gas. I don't understand it. I don't know what they are thinking about. I don't know what their hopes are or dreams are, because, folks, we can't afford to continue to do that. Natural gas is a far more bigger part of our life than most people realize. Now, you see all of these products here. They are all made with natural gas. Not only as a heat source, but as an ingredient. Somewhere here you will find soaps and skin lotions and skin softeners. Yes, ladies, the skin softeners that you love and we all like that keep our skin soft are a direct derivative of natural gas stock. Polyurethane, plastics, petrochemicals, fertilizer, all made, fertilizer that we grow corn with to produce ethanol, 70 percent of the cost is natural gas. It is the reason in how we make all of these products. And yet we lock it up and treat it like it is something evil. I just plain don't understand that.

We have a bill that opens up the Outer Continental Shelf. Now, we are only doing it for natural gas. I think it should be for both because every other part of the world produces both. But I have not been able to get natural gas here. Now, we passed a good bill last session in the House that opened up gas and oil both. But we didn't get any action in the Senate. So we are going at it cautiously this time, just natural gas. This bill is very States' rights oriented. We will lock up the first 25 miles, can't produce it, that is out of sight. Eleven miles is sight line. The second 25 miles, States have a right to open up if they want to just by passing a State law. We will repeal the moratorium, but it doesn't repeal unless the States pass a bill. Now, the second 50 miles will be open unless the State passes a law and this gives States rights for 100 miles to close it. Now, this is much more conservative than I would like, but we are trying to get some natural gas for America to stop a calamity of starving our industry and our homeowners from affordable natural gas. Now, the second 100 miles would be open, period.

□ 2200

Those who produce natural gas say this would help immensely because clean, green natural gas can be our bridge to renewables. To make ethanol, we use a huge amount of natural gas. If we go to a hydrogen society, the only good way right now of making hydrogen quickly is natural gas. Natural gas is used to make biodiesel. Natural gas heats 50 some percent of our homes; 58 percent, I believe. It runs our major industries. It's the major feedstock for the polymers and plastic and fertilizer and petrochemical. We use huge amounts of it to make bricks and glass and steel and aluminum and to bend metal and to treat products, heat-treat things.

In my district, we have the powdered metal industry. They use huge amounts of natural gas to make that new powdered metal product that has brought the price of cars and vehicles and all kinds of moving parts down because it's so much less expensive than the old machining and forging of parts. Powdered metals. But they heat treat it with clean, green natural gas.

Natural gas is the fuel that should bridge us to where some kind of new energy, whether when we learn how to release hydrogen from water and then learn how to transport hydrogen safely, it takes years to develop all of the facets of an industry so that it becomes

our stable fuel source of the future. We need to be doing everything we can do in America for renewables. But we need to have adequate fossil fuels, and, specifically, natural gas.

Now, my bill rewards some people. The States would get up to $150 billion in royalties because States would get 30 some percent. There would be $100 billion left over in the Treasury of money we wouldn't have to pay in taxes because we could get the royalty off the gas, not oil. Now we have some cleanup funds here that I think are pretty unique: $32 billion for renewable energy research. That is real money to allow us to develop the fuels of the future. We have $32 billion for carbon capture and sequestration research so we can learn how to take the CO_2 from coal plants and the CO_2 from any fuel we burn and utilize it somehow, or sequester it. We have $20 billion to clean up the Chesapeake Bay, exactly what they need; $20 billion for the Great Lakes restoration, exactly what their program needs; $12 billion for the Everglades restoration; $12 billion for the Colorado River basin restoration; $12 billion for the San Francisco Bay restoration; and $10 million for LIHEAP and weatherization to help the poorest among us make their homes energy efficient and make energy affordable by helping pay their energy bills.

America is at a crossroads. We have been the big giant of a Nation, the powerful Nation all of our lifetimes. You know, it makes me sad to think that this Congress and administrations were unwilling to in totality agree and deal with the energy issue, making sure that America has available, affordable energy. Folks, that's doable.

I know there are people who talk on this floor about energy independence. That is really not doable. The only way we can be energy independent is if we got oil from the shale rock in large quantities over a period of time and where we no longer had to import oil. We import 17 percent of our natural gas today. If we opened up the gas field, we wouldn't need to import any. We would have lots of gas.

This is an interesting point about natural gas. We could fuel a third of our auto fleet. One of the problems with using gas in a vehicle is you can't go as far. You can't put a big enough tank in there. But we have lots of vehicles that don't go anywhere. We have all the service vehicles that are out servicing our homes, whether they are heating contractors or air conditioning contractors or lawn services, they could fuel up every night. In fact, they are developing ways you can fuel up from your gas line in your house if you have gas in your home. They are working on a way to fuel a car.

Every construction vehicle could be on natural gas because they already are fueled by a truck that comes up to the construction site and fills up the tractors and fills up the Caterpillars and all the heavy equipment and the trucks. Every taxicab could be on natural gas because they don't go big distances. Every school bus, every local person who doesn't drive a long distance could fuel their vehicle with clean, green natural gas.

If we opened up the gas fields that are really available to us, it could be a whole lot cheaper than oil. A whole lot cheaper and a whole lot cleaner. No knocks, a third of the CO_2. I don't understand why we haven't embraced natural gas as our bridge fuel to the future, as I said previously.

But, folks, America better think very seriously in the weeks ahead. We don't have a long time to wait. Energy prices are going to continue to skyrocket because we are competing the whole world for the energy because we are buying it from them. If we produced our own, we don't have to worry about that.

I understand the complacency when it was $2 for gas and $10 for oil and it was so cheap. But, folks, it's not cheap today and it is never going to be cheap again. Now we do need to use less, we do need to conserve, we do need to keep continuing to research how to produce things with less fuel, heat our homes more efficiently, make them more energy efficient. We, in the meantime, need a strong, viable source of energy for America, and clean green, natural gas is the bridge to our future.

I hope and pray that this Congress will suddenly get a sense of urgency about the energy problems in this country.

Mr. Speaker, $94.53 oil should scare us into movement. We should have fear in our hearts, because this isn't the ceiling, as I started out at the beginning. There is no storm in the Gulf, no countries tipped over, no terrorist threat that has taken out supply. If they all happened simultaneously, only God knows what energy would be. It is imperative. Congress is the reason we have high energy prices, because they have locked it up.

There is also a lot in Alaska. There are huge reserves in Alaska that are not shown on this map. Congress has locked up this energy and three administrations have supported the moratorium for twenty-six years.

We are the only country in the world to lock up our own resources and force ourselves to buy from unstable countries who will own us. They are going to have the resources to literally buy every good, profitable business in this country. They are going to buy whatever they want to, because we are going to be forced to sell it to them, because when you are paying $95.43 for a barrel of oil that it costs them a dollar or two to lift in their country, they have nothing but riches.

Americans are going to have nothing but tragic situations, where our businesses can no longer afford to be here. We won't manufacture anything in this country of substance, and Americans will struggle to heat their homes and afford to travel around this beautiful land.

Energy affordability, available, affordable energy for America, should be the cry of this Congress. And if this Congress doesn't do that, if the energy bills when they come out that the House and Senate have now are not altered and talk about opening up energy, about increasing supply, that is the only thing that brings down prices.

Folks, we need to conserve, but we can't conserve our way out of this problem. As a country, we are demanding more energy every day as we grow, as our number of people grow, as the number of people that drive cars grows, as our population grows.

Folks, available, affordable energy is the issue that can bring this great country down to where it is a second-rate nation. I don't want that to happen, and I hope Americans will push their Congress Members into making available, affordable energy the number one issue in this Congress before we adjourn the 110th Congress, and that we deal with this issue, because we can deal with it.

This is an issue we can change. It won't change quickly, but we can make a lot of right moves. We can deal with all of the different forms of energy. We can open up supply for gas and oil. We can do coal-to-liquids, coal-to-gas. We can give nuclear another push. We can promote all the renewables and look for new transportation fuels to blend with our current fuels.

Ethanol has potential. Corn ethanol has limited potential, but there are problems with it. The biggest problem with ethanol, and I am not against it because it is made out of American products, but it is competing with our food supply. And ethanol does not go in the pipeline. The majority of our gas stations deliver by pipelines, and you can't put it in the pipeline. Already, with the ethanol plants we have, we have distribution problems, because you need a blending station to blend it and then need to haul it by truck or trailer. That is a system not in place adequately around the country.

We have as many ethanol plants under construction as we have producing ethanol today. I am not saying that is bad, but it is not a situation without problems and great challenges. Ethanol takes a tremendous amount of natural gas to make it. In Pennsylvania they are talking of doing a couple plants with coal. Many States would reject that. I commend the Pennsylvania government for going in that direction, using waste coal to make it so it doesn't further strain our natural gas supply.

But as we look at this map and think about Alaska, America can be far more self-sufficient with available, affordable energy if we just have the desire and the willingness to produce more of our own. I believe we must if we want to compete in the global economy.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ALEXANDER (at the request of Mr. BOEHNER) for today and the balance of the week on account of personal reasons.

Mr. RYAN of Wisconsin (at the request of Mr. BOEHNER) for today after 3 p.m. on account of family reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. MCCARTHY of New York) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mrs. MCCARTHY of New York, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. MURPHY of Connecticut, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

Ms. VELÁZQUEZ, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Ms. FOXX) to revise and extend their remarks and include extraneous material:)

Mr. POE, for 5 minutes, November 7.

Mr. JONES of North Carolina, for 5 minutes, November 7.

Mr. MORAN of Kansas, for 5 minutes, November 5.

Mr. MCCOTTER, for 5 minutes, November 1.

Mr. ENGLISH of Pennsylvania, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HALL of New York, for 5 minutes, today.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 294. An act to reauthorize Amtrak, and for other purposes; to the Committee on Transportation and Infrastructure.

S. 2198. An act to require the Architect of the Capitol to permit the acknowledgment of God on flag certificates; to the Committee on House Administration.

S. 2265. An act to extend the existing provisions regarding the eligibility for essential air service subsidies through fiscal year 2008; to the Committee on Transportation and Infrastructure.

BILLS PRESENTED TO THE PRESIDENT

Lorraine C. Miller, Clerk of the House reports that on October 25, 2007 she presented to the President of the United States, for his approval, the following bills:

H.R. 327. Joshua Omvig Veterans Suicide Prevention Act.

H.R. 995. To amend Public Law 106–348 to extend the authorization for establishing a memorial in the District of Columbia or its environs to honor veterans who became disabled while serving in the Armed Forces of the United States.

H.R. 1284. Veterans' Compensation Cost-of-Living Adjustment Act of 2007.

H.R. 3233. To designate the facility of the United States Postal Service located at Highway 49 South in Piney Woods, Mississippi, as the ''Laurence C. and Grace M. Jones Post Office Building''.

Lorraine C. Miller, Clerk of the House reports that on October 30, 2007 she presented to the President of the United States, for his approval, the following bills:

H.R. 3678. Internet Tax Freedom Act Amendments Act of 2007.

ADJOURNMENT

Mr. PETERSON of Pennsylvania. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 12 minutes p.m.), the House adjourned until tomorrow, Thursday, November 1, 2007, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3942. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Special Local Regulations for Marine Events; Spa Creek and Severn River, Annapolis, MD [Docket No. CGD05-07-063] (RIN: 1625-AA08) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3943. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Winnetka Fireworks, Lake Michigan, Winnetka, IL. [CGD09-06-116] (RIN: 1625-AA00) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3944. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Security Zone; M/V Odyssey III, Global Air Chiefs Conference, Upper Potomac River, Washington, DC [Docket No. CGD05-07-080] (RIN: 1625-AA87) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3945. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Security Zones; Escorted Vessels in the Captain of the Port Jacksonville Zone [COTP JACKSONVILLE 07-163] (RIN: 1625-AA87) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3946. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Security Zones; Major League Baseball All-Star Game, San Francisco Bay, CA [COTP San Francisco Bay 07-012] (RIN: 1625-AA87) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3947. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulations; Amendments [USCG-2001-10881] (RIN: 1625-AA36) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3948. A letter from the Attorney, Department of Homeland Security, transmitting the Department's final rule — Vessel Documentation: Lease Financing for Vessels Engaged in the Coastwise Trade [USCG-2005-20258] (RIN: 1625-AA95) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3949. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Transportation Worker Identification Credential (TWIC) Implementation in the Maritime Sector; Hazardous Materials Endorsement for a Commercial Driver's License [Docket Nos. TSA-2006-24191; USCG-2006-24196] (RIN: 1652-AA41) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3950. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Red Dog, AK [Docket No. FAA-2006-26396; Airspace Docket No. 06-AAL-40] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3951. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Philipsburg, KS [Docket No. FAA-2006-25943; Airspace Docket No. 06-ACE-13] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3952. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Thedford, NE [Docket No. FAA-2006-25942; Airspace Docket No. 06-ACE-12] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3953. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Establishment of Class E5 Airspace; Potosi, MO [Docket No. FAA-2006-25944; Airspace Docket No. 06-ACE-14] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3954. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Peru, IL [Docket No. FAA-2007-27110; Airspace Docket No. 07-AGL-1] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3955. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Creston, IA [Docket No. FAA-2006-25941; Airspace Docket No. 06-ACE-11] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3956. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Hayward, WI

[Docket No. FAA-2006-25436; Airspace Docket No. 06-AGL-5] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3957. A letter from the Assistant Chief Counsel for Hazardous Materials Safety, PHMSA, Department of Transportation, transmitting the Department's final rule — Hazardous Materials Regulations: Transportation of Compressed Oxygen, Other Oxidizing Gases and Chemical Oxygen Generators on Aircraft [Docket No. RSPA-04-17664 (HM-224B)] (RIN: 2137-AD33) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3958. A letter from the Senior Counsel for Dispute Resolution, OST, Department of Transportation, transmitting the Department's final rule — Standard Time Zone Boundary in Southwest Indiana [OST Docket No. 2007-28746] (RIN: 2105-AD71) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3959. A letter from the Paralegal, FTA, Department of Transportation, transmitting the Department's final rule — Buy America Requirements; End Product Analysis and Waiver Procedures [Docket No. FTA-2005-23082] (RIN: 2132-AA90) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3960. A letter from the FMSCA Regulatory Ombudsman, Department of Transportation, transmitting the Department's final rule — Amendments To Implement Certain Provisions of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (RIN: 2126-AA96) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3961. A letter from the Acting Regulations Officer, FHWA, Department of Transportation, transmitting the Department's final rule — Crash Test Laboratory Requirements for FHWA Roadside Safety Hardware Acceptance [FHWA Docket No. FHWA-2006-26501] (RIN: 2125-AF21) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANTOS: Committee on Foreign Affairs. H.R. 3890. A bill to amend the Burmese Freedom and Democracy Act of 2003 to waive the requirement for annual renewal resolutions relating to import sanctions, impose import sanctions on Burmese gemstones, expand the number of individuals against whom the visa ban is applicable, expand the blocking of assets and other prohibited activities, and for other purposes; with an amendment (Rept. 110–418 Pt. 1). Ordered to be printed.

Mr. FRANK: Committee on Financial Services. H.R. 3355. A bill to ensure the availability and affordability of homeowners' insurance coverage for catastrophic events, with an amendment (Rept. 110–419). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII, the Committee on the Judiciary discharged from further consideration of H.R. 3890.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following aciton was taken by the Speaker:

H.R. 3890. Referral to the Committee on Ways and Means extended for a period ending not later than November 16, 2007.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Ms. ROYBAL-ALLARD (for herself and Mr. POE):

H.R. 4014. A bill to prohibit discrimination in insurance coverage to victims of domestic violence, dating violence, sexual assault, or stalking; to the Committee on Financial Services, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. ROYBAL-ALLARD (for herself and Mr. POE):

H.R. 4015. A bill to provide job protection for victims of domestic violence, dating violence, sexual assault, or stalking; to the Committee on Education and Labor, and in addition to the Committees on Oversight and Government Reform, the Judiciary, and House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. ROYBAL-ALLARD (for herself and Mr. POE):

H.R. 4016. A bill to provide unemployment insurance to those who are separated from their employment as a result of domestic violence, dating violence, sexual assault, or stalking; to the Committee on Ways and Means.

By Mr. BILBRAY (for himself, Mrs. DAVIS of California, Mr. ROHRABACHER, Mr. TOWNS, Mr. HUNTER, Mr. ISSA, and Mr. CAMPBELL of California):

H.R. 4017. A bill to authorize the Secretary of the Treasury to provide that, in the case of leave-based donation programs with respect to the California wildfires, cash payments made by employers to qualifying charities in exchange for forgone employee leave will not be treated as income to participating employees and will be deductible by the employers as business expenses or charitable contributions; to the Committee on Ways and Means.

By Mr. PORTER (for himself and Mr. HELLER):

H.R. 4018. A bill to authorize the conveyance of certain parcels of public land in Clark County, Nevada, to the City of Mesquite, Nevada, and the Virgin Valley Water District, and for other purposes; to the Committee on Natural Resources.

By Mr. BACA:

H.R. 4019. A bill to amend the Truth in Lending Act to enhance disclosure of the terms of home mortgage loans, and for other purposes; to the Committee on Financial Services.

By Ms. JACKSON-LEE of Texas (for herself, Mr. FILNER, and Mr. HASTINGS of Florida):

H.R. 4020. A bill to recognize the extraordinary performance of the Armed Forces in achieving the military objectives of the United States in Iraq, to encourage the President to issue a proclamation calling upon the people of the United States to observe a national day of celebration commemorating military success in Iraq, and for other purposes; to the Committee on Armed Services, and in addition to the Committees on Foreign Affairs, and Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FILNER:

H.R. 4021. A bill to authorize Federal payment to emergency ambulance and medical services providers for the cost of uncompensated care of aliens aided by the border patrol or other Federal immigration officials; to the Committee on Energy and Commerce.

By Mr. FILNER:

H.R. 4022. A bill to amend the Immigration and Nationality Act to restore certain provisions relating to the definition of aggravated felony and other provisions as they were before the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996; to the Committee on the Judiciary.

By Mr. FILNER (for himself, Mr. TIM MURPHY of Pennsylvania, and Mr. LATOURETTE):

H.R. 4023. A bill to amend title 38, United States Code, to improve the collective bargaining rights and procedures for review of adverse actions of certain employees of the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BOOZMAN:

H.R. 4024. A bill to amend title 10, United States Code, to increase the number of outpatient visits for mental health care that do not require preauthorization for dependents of certain members of the Armed Forces; to the Committee on Armed Services.

By Mrs. BOYDA of Kansas (for herself, Mr. TIAHRT, Mr. MORAN of Kansas, Mr. MOORE of Kansas, and Mr. BOSWELL):

H.R. 4025. A bill to amend the Surface Mining Control and Reclamation Act of 1977 to clarify the minimum distribution under that Act to certain States and Indian tribes; to the Committee on Natural Resources.

By Mr. ELLISON (for himself, Mr. CONYERS, Mr. LEWIS of Georgia, Mr. MCDERMOTT, Ms. SCHAKOWSKY, Ms. MOORE of Wisconsin, Ms. LEE, Mr. SCOTT of Virginia, Mr. WATT, Mr. JOHNSON of Georgia, Ms. MCCOLLUM of Minnesota, Mr. NADLER, Mr. JACKSON of Illinois, Ms. WATERS, and Mr. KUCINICH):

H.R. 4026. A bill to prohibit election officials from requiring an individual to provide a photo identification as a condition for voting in an election for Federal office; to the Committee on House Administration.

By Mr. HASTINGS of Washington:

H.R. 4027. A bill to amend the Native American Graves Protection and Repatriation Act so that it will be interpreted in accordance with the original intent of Congress to require a significant relationship be found between remains discovered on Federal lands and presently existing Native American tribes for those remains to be applicable under the Native American Graves Protection and Repatriation Act; to the Committee on Natural Resources.

By Ms. HERSETH SANDLIN:

H.R. 4028. A bill to reauthorize the Mni Wiconi Rural Water Supply Project; to the Committee on Natural Resources.

By Mr. HOLT (for himself, Mr. EMANUEL, Ms. GIFFORDS, Mr. CARNEY, Ms. SHEA-PORTER, Mr. HALL of New York, Mr. PERLMUTTER, Mr. LAMPSON, Mr. RODRIGUEZ, Mr. VAN HOLLEN, Ms. BERKLEY, Mr. SESTAK, and Mr. COURTNEY):

H.R. 4029. A bill to amend the Internal Revenue Code of 1986 to provide an additional standard deduction for real property taxes for nonitemizers; to the Committee on Ways and Means.

By Ms. HOOLEY (for herself, Ms. SOLIS, and Mr. MARKEY):

H.R. 4030. A bill to prohibit the manufacture, sale, or distribution in commerce of certain children's products and child care articles that contain phthalates; to the Committee on Energy and Commerce.

By Mr. KING of New York:

H.R. 4031. A bill to establish a United States Boxing Commission to administer the Act, and for other purposes; to the Committee on Education and Labor, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MCHENRY:

H.R. 4032. A bill to reduce temporarily the duty on PHBA; to the Committee on Ways and Means.

By Ms. NORTON:

H.R. 4033. A bill to authorize the Secretary of the Interior to enter into a long-term ground lease for the operation and maintenance of Rock Creek, Langston, and East Potomac as golf courses, and for other purposes; to the Committee on Natural Resources.

By Mr. PEARCE:

H.R. 4034. A bill to provide for a land exchange involving State land and Bureau of Land Management land in Chaves and Dona Ana Counties, New Mexico, and to establish the Lesser Prairie Chicken National Habitat Preservation Area, and for other purposes; to the Committee on Natural Resources.

By Mr. PETRI:

H.R. 4035. A bill to study, pilot, and implement a comprehensive, structural, market-based reform to the Federal Family Education Loan Program to reduce costs to taxpayers and improve program efficiency; to the Committee on Education and Labor.

By Mr. ROSKAM (for himself and Mr. CASTLE):

H.R. 4036. A bill to amend title 31, United States Code, to save the American taxpayers money by immediately altering the metallic composition of the 1-cent coin, to require a prompt review and report, with recommendations, for cost-saving changes in the metallic content of other circulating United States coins, and for other purposes; to the Committee on Financial Services.

By Mr. HIGGINS (for himself and Ms. KAPTUR):

H.J. Res. 61. A joint resolution proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections; to the Committee on the Judiciary.

By Mr. GENE GREEN of Texas (for himself, Mr. CONAWAY, Mr. ARCURI, Ms. BEAN, Mr. BERRY, Mr. BONNER, Mr. BOOZMAN, Mr. BROWN of South Carolina, Mr. CAMP of Michigan, Mr. CARDOZA, Mr. CARTER, Mr. CHABOT, Mr. COLE of Oklahoma, Mr. CRENSHAW, Mr. DAVIS of Kentucky, Mr. DENT, Mr. ELLSWORTH, Mrs. EMERSON, Mr. GARRETT of New Jersey, Mr. GOODE, Ms. GRANGER, Mr. GRAVES, Mr. AL GREEN of Texas, Mr. HOEKSTRA, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JONES of North Carolina, Mr. KIND, Mr. KINGSTON, Mr. LAMPSON, Mr. MANZULLO, Mr. MCHENRY, Mr. MOORE of Kansas, Mr. MURPHY of Connecticut, Mr. NEUGEBAUER, Mr. ORTIZ, Mr. PEARCE, Mr. PENCE, Mr. POE, Mr. POMEROY, Mr. RAHALL, Mr. RAMSTAD, Mr. ROGERS of Alabama, Mr. ROGERS of Michigan, Mr. RUPPERSBERGER, Mr. RYAN of Ohio, Mr. SESSIONS, Mr. SHULER, Mr. SHUSTER, Mr. SOUDER, Mr. TURNER, Mr. WICKER, Mr. WILSON of South Carolina, and Mr. WYNN):

H. Con. Res. 244. Concurrent resolution supporting the Local Radio Freedom Act; to the Committee on the Judiciary.

By Mr. GINGREY (for himself, Mr. HUNTER, Mr. BUYER, Mr. LEWIS of California, Mr. WICKER, Mr. BLUNT, Mr. GERLACH, Mr. CHABOT, Mr. BURTON of Indiana, Mr. FEENEY, Mr. BROUN of Georgia, Mr. MCKEON, Mr. BILIRAKIS, Mr. BUCHANAN, Mr. DAVID DAVIS of Tennessee, Mr. FRANKS of Arizona, Mrs. DRAKE, Mr. GARRETT of New Jersey, Mr. POE, Mr. JONES of North Carolina, Mr. BISHOP of Utah, Mr. BONNER, Mr. WALBERG, Mr. BILBRAY, Mr. KING of Iowa, Mr. WAMP, Mr. PEARCE, Mr. ENGLISH of Pennsylvania, Mr. BOOZMAN, Mr. MCCOTTER, Mr. KUHL of New York, Mr. HULSHOF, Mr. PETERSON of Pennsylvania, and Mr. AKIN):

H. Res. 786. A resolution amending the Rules of the House of Representatives to require that general appropriations for military construction and veterans' affairs be considered as stand-alone measures; to the Committee on Rules.

By Mr. CLYBURN (for himself, Mr. BARRETT of South Carolina, Mr. BISHOP of Georgia, Mr. BROWN of South Carolina, Mr. BUTTERFIELD, Mr. CAPUANO, Ms. CASTOR, Mr. CHANDLER, Mrs. CHRISTENSEN, Ms. CLARKE, Mr. CLAY, Mr. CLEAVER, Mr. COBLE, Mr. COHEN, Mr. COOPER, Mr. COSTA, Mr. COSTELLO, Mr. COURTNEY, Mr. CUELLAR, Mr. DAVIS of Illinois, Mr. LINCOLN DAVIS of Tennessee, Mrs. DAVIS of California, Ms. DEGETTE, Mr. DINGELL, Mr. ELLSWORTH, Mr. EMANUEL, Mr. ENGEL, Mr. ETHERIDGE, Mr. FILNER, Mr. GONZALEZ, Mr. AL GREEN of Texas, Mr. GENE GREEN of Texas, Mr. GRIJALVA, Ms. HARMAN, Mr. HAYES, Mr. HIGGINS, Mr. HINCHEY, Mr. HINOJOSA, Mr. HOLT, Ms. HOOLEY, Mr. INGLIS of South Carolina, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, Mr. JOHNSON of Georgia, Mrs. JONES of Ohio, Ms. KAPTUR, Mr. KENNEDY, Mr. KIND, Mr. PAYNE, Mr. RYAN of Ohio, Mr. SALAZAR, Ms. LINDA T. SÁNCHEZ of California, Mr. SARBANES, Mr. SPRATT, Mr. TOWNS, Ms. WASSERMAN SCHULTZ, Mr. WATT, Mr. WILSON of South Carolina, Mr. WYNN, Ms. ESHOO, and Ms. HIRONO):

H. Res. 787. A resolution expressing the support and sympathy of the House of Representatives and the people of the United States for the victims of the tragic fire that occurred in Ocean Isle Beach, North Carolina, on October 28, 2007; to the Committee on Oversight and Government Reform.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. FILNER:

H.R. 4037. A bill for the relief of Francisco Rivera and Alfonso Calderon; to the Committee on the Judiciary.

By Mr. FILNER:

H.R. 4038. A bill for the relief of Adrian Rodriguez; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 17: Mr. Fattah.
H.R. 39: Mr. KIND.
H.R. 89: Mr. WHITFIELD.
H.R. 139: Mr. NEUGEBAUER.
H.R. 160: Mr. PATRICK MURPHY of Pennsylvania.
H.R. 538: Mr. GRIJALVA.
H.R. 699: Mr. CONAWAY.
H.R. 715: Mr. HARE and Mr. AL GREEN of Texas.
H.R. 819: Mr. MURPHY of Connecticut.
H.R. 866: Mr. NEUGEBAUER and Mr. SMITH of Nebraska.
H.R. 971: Mr. ENGLISH of Pennsylvania and Mr. MCNERNEY.
H.R. 1008: Ms. HERSETH SANDLIN.
H.R. 1014: Mr. PICKERING and Mr. ELLSWORTH.
H.R. 1064: Mr. LATOURETTE.
H.R. 1070: Mrs. MCCARTHY of New York.
H.R. 1076: Mr. BUTTERFIELD.
H.R. 1078: Mr. HARE.
H.R. 1102: Ms. PRYCE of Ohio.
H.R. 1127: Mr. KLINE of Minnesota.
H.R. 1198: Mr. ISRAEL, Mr. BOUCHER, Mr. KNOLLENBERG, and Mr. SERRANO.
H.R. 1279: Mr. HINOJOSA and Ms. SHEA-PORTER.
H.R. 1295: Mr. BURTON of Indiana.
H.R. 1352: Ms. DEGETTE.
H.R. 1354: Ms. SLAUGHTER.
H.R. 1355: Mr. GOODE.
H.R. 1363: Mr. HALL of New York and Mr. ALTMIRE.
H.R. 1399: Mrs. WILSON of New Mexico.
H.R. 1459: Mr. COLE of Oklahoma.
H.R. 1512: Mr. MORAN of Virginia.
H.R. 1553: Mr. DOGGETT and Mr. COLE of Oklahoma.
H.R. 1609: Ms. ROYBAL-ALLARD, Mrs. BOYDA of Kansas, Mr. BURTON of Indiana, Mr. MAHONEY of Florida, and Mr. RANGEL.
H.R. 1726: Mr. HOLT.
H.R. 1738: Mr. SESSIONS.
H.R. 1845: Mr. KING of New York and Mr. WHITFIELD.
H.R. 1927: Mr. SAXTON.
H.R. 1937: Mr. COLE of Oklahoma and Mr. DAVID DAVIS of Tennessee.
H.R. 1940: Mr. TAYLOR.
H.R. 1951: Mr. HILL.
H.R. 1969: Mr. WEXLER.
H.R. 1971: Mr. UDALL of New Mexico.
H.R. 2032: Mr. LYNCH.
H.R. 2049: Mr. MICHAUD.
H.R. 2075: Mr. WILSON of Ohio and Mr. RYAN of Ohio.
H.R. 2125. Mr. PERLMUTTER.
H.R. 2160: Mr. BISHOP of New York.
H.R. 2236: Mrs. CAPPS.
H.R. 2265: Mr. LANGEVIN.
H.R. 2307: Ms. CASTOR.
H.R. 2320: Mr. HASTINGS of Florida.
H.R. 2327: Ms. DELAURO.
H.R. 2392: Mr. WYNN.
H.R. 2477: Mr. RYAN of Ohio.
H.R. 2489: Ms. WATERS, Mr. ISRAEL, Mr. SESTAK, Mr. DANIEL E. LUNGREN of California, and Ms. JACKSON-LEE of Texas.
H.R. 2604: Ms. WOOLSEY.
H.R. 2702: Mr. WEXLER.
H.R. 2711: Mr. ALEXANDER.
H.R. 2744: Mr. KILDEE, Mr. SHULER, Mr. PATRICK MURPHY of Pennsylvania, Mr. ALLEN, and Mr. OBERSTAR.
H.R. 2842: Mr. HARE.
H.R. 2857: Mr. ANDREWS.
H.R. 2880: Mr. MARKEY.
H.R. 2910: Mr. LANGEVIN and Mr. CARNAHAN.
H.R. 2933: Mr. BOUSTANY and Mr. HOLDEN.
H.R. 2994: Ms. ZOE LOFGREN of California and Mr. GENE GREEN of Texas.

H.R. 3010: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BAIRD, Mr. HIGGINS, Mr. KANJORSKI, Ms. CARSON, Ms. DEGETTE, and Mr. DUNCAN.

H.R. 3016: Mr. ALLEN and Mr. LEWIS of Georgia.

H.R. 3053: Mr. GENE GREEN of Texas.

H.R. 3058: Mr. HINOJOSA and Mr. MCNERNEY.

H.R. 3099: Mr. DAVID DAVIS of Tennessee and Mr. LANGEVIN.

H.R. 3132: Ms. SCHAKOWSKY.

H.R. 3140: Mr. MEEKS of New York, Mr. SMITH of Nebraska, Mr. MURTHA, Mr. MCINTYRE, Mr. ABERCROMBIE, and Mr. MCHUGH.

H.R. 3145: Mr. ALEXANDER.

H.R. 3168: Mr. PAYNE.

H.R. 3191: Mr. SHULER and Ms. GIFFORDS.

H.R. 3195: Mr. YARMUTH, Mr. LIPINSKI and Mr. GONZALEZ.

H.R. 3256: Mrs. NAPOLITANO and Mr. ENGLISH of Pennsylvania.

H.R. 3257: Mr. MCNERNEY.

H.R. 3273: Mr. SESTAK.

H.R. 3326: Mr. JEFFERSON.

H.R. 3331: Mr. BAIRD.

H.R. 3355: Mr. KENNEDY.

H.R. 3372: Mr. GUTIERREZ and Mr. BOUCHER.

H.R. 3374: Ms. KAPTUR.

H.R. 3453: Mr. FILNER.

H.R. 3461: Ms. HERSETH SANDLIN, Mrs. MCCARTHY of New York, Mr. DOYLE, and Ms. BERKLEY.

H.R. 3495: Mr. DUNCAN.

H.R. 3508: Mr. SOUDER, Mr. MILLER of Florida, Mr. KING of Iowa, Mr. BURTON of Indiana, Mr. MARIO DIAZ-BALART of Florida, Mr. BARTON of Texas, and Mr. CONAWAY.

H.R. 3513: Mr. BLUMENAUER.

H.R. 3533: Mr. CRAMER and Mr. MCHENRY.

H.R. 3544: Mr. RUSH, Mr. LATOURETTE, and Mr. MARKEY.

H.R. 3547: Mr. FARR.

H.R. 3548: Mr. BOSWELL.

H.R. 3558: Mr. HARE and Mr. SOUDER.

H.R. 3577: Mr. REHBERG.

H.R. 3582: Mr. HARE and Mr. PAYNE.

H.R. 3605: Ms. ROYBAL-ALLARD.

H.R. 3645: Mr. FILNER.

H.R. 3660: Mr. LATHAM and Mr. WALZ of Minnesota.

H.R. 3691: Mr. GUTIERREZ, Mr. KANJORSKI, Mr. LEVIN, and Mr. HOLT.

H.R. 3700: Mr. GORDON and Mr. MCHUGH.

H.R. 3738: Mr. BROUN of Georgia and Mr. ROSKAM.

H.R. 3774: Mr. HINOJOSA.

H.R. 3779: Mr. MANZULLO.

H.R. 3781: Mr. MCDERMOTT.

H.R. 3782: Mr. PAYNE.

H.R. 3783: Mr. SCHIFF and Ms. DELAURO.

H.R. 3793: Mr. SCHIFF, Ms. SLAUGHTER, Mr. HINOJOSA, Mr. KAGEN, Ms. GIFFORDS, Mr. SPACE, Ms. SCHAKOWSKY, Mr. BOREN, Mr. JEFFERSON, Mr. DAVIS of Alabama, Mr. HELLER, Mr. FILNER, Mr. DAVID DAVIS of Tennessee, and Mr. ROSS.

H.R. 3797: Mr. GILCHREST, Mr. FILNER, Mr. COSTA, and Mr. MURTHA.

H.R. 3825: Mr. RAMSTAD, Mr. SCHIFF, Ms. SCHAKOWSKY, Mr. SPRATT, Mr. FATTAH, Mr. GORDON, Mr. MCNULTY, Mr. PASTOR, Mr. LARSON of Connecticut, Mr. ARCURI, and Mr. HINOJOSA.

H.R. 3837: Mr. HOLDEN.

H.R. 3842: Mr. REYES and Mr. GRIJALVA.

H.R. 3851: Mrs. MYRICK, Mr. NEUGEBAUER, Mr. WAMP, and Mr. MCCAUL of Texas.

H.R. 3865: Mr. LATOURETTE.

H.R. 3873: Mr. BACA.

H.R. 3874: Ms. KAPTUR, Mr. WALZ of Minnesota, and Mr. MCNERNEY.

H.R. 3882: Mr. SPACE, Mr. SMITH of Nebraska, Mr. KINGSTON, Mr. ELLSWORTH, and Mr. MITCHELL.

H.R. 3887: Mr. PETERSON of Minnesota, Mr. DELAHUNT, Mr. PENCE, Mr. MORAN of Virginia, Mr. MCCOTTER, Mr. ALLEN, and Mr. SIMPSON.

H.R. 3890: Mr. MCCOTTER.

H.R. 3915: Mr. COHEN.

H.R. 3928: Mr. CUMMINGS, Ms. DELAURO, Mr. COURTNEY, and Mr. TOWNS.

H.R. 3934: Mr. CLEAVER, Mrs. EMERSON, Mr. KIRK, Mr. RAMSTAD, and Mr. KUHL of New York.

H.R. 3951: Mr. MCINTYRE.

H.R. 3953: Mr. HALL of New York.

H.R. 3965: Mr. BACA.

H.R. 3971: Ms. JACKSON-LEE of Texas.

H.R. 3979: Mrs. MCCARTHY of New York.

H.R. 3987: Mr. BILBRAY, Ms. ZOE LOFGREN of California, Mr. SCHIFF, Ms. RICHARDSON, Mr. DANIEL E. LUNGREN of California, Mr. DOOLITTLE, Mrs. TAUSCHER, Mr. HONDA, Mr. FARR, Mr. MCCARTHY of California, Mrs. CAPPS, Mr. GALLEGLY, Mr. MCKEON, Mr. SALAZAR, Mr. MACK, Ms. SOLIS, Ms. WATSON, Ms. ROYBAL-ALLARD, Mr. ROYCE, Mr. LEWIS of California, Mr. CALVERT, Mrs. BONO, Mr. ROHRABACHER, Mr. ISSA, and Mrs. DAVIS of California.

H.R. 3990: Ms. SCHAKOWSKY and Mr. BISHOP of New York.

H.R. 3995: Mr. CAPUANO and Mr. MORAN of Virginia.

H.R. 3999: Mr. ELLISON.

H.R. 4001: Mr. MELANCON.

H. Con. Res. 33: Mr. DELAHUNT and Mr. SIRES.

H. Con. Res. 176: Mr. ALEXANDER.

H. Con. Res. 202: Mr. HONDA.

H. Con. Res. 224: Mr. WYNN.

H. Con. Res. 237: Mr. SHAYS and Mr. SMITH of New Jersey.

H. Con. Res. 239: Ms. PRYCE of Ohio.

H. Res. 111: Mr. MACK, Ms. BEAN, Mr. BRADY of Texas, Mr. GALLEGLY, and Mr. KUHL of New York.

H. Res. 259: Mr. HINCHEY and Ms. FOXX.

H. Res. 335: Mr. DINGELL, Mr. BLUMENAUER, Mr. GORDON of Tennessee, Ms. ESHOO, Mr. STUPAK, Mr. DOYLE, Ms. HOOLEY, Mr. MATHESON, Mr. BUTTERFIELD, and Mr. MELANCON.

H. Res. 695: Mr. DAVIS of Kentucky, Mr. SMITH of New Jersey, Mr. FILNER, Mr. GERLACH, Mr. SOUDER, and Mr. JORDAN of Ohio.

H. Res. 731: Mr. ABERCROMBIE, Mr. ALTMIRE, Mr. BACA, Ms. BEAN, Mr. BISHOP of New York, Mr. BRADY of Pennsylvania, Mr. CAPUANO, Mr. CARDOZA, Mr. CARNAHAN, Mr. CROWLEY, Ms. DELAURO, Mr. DOYLE, Mr. FATTAH, Mr. GUTIERREZ, Mr. HOBSON, Mr. HOLDEN, Mr. INSLEE, Mr. JACKSON of Illinois, Mr. JORDAN of Ohio, Mr. KANJORSKI, Ms. KAPTUR, Mr. KIND, Mr. KUCINICH, Mr. LAHOOD, Mr. LANTOS, Mr. LARSON of Connecticut, Mr. MCGOVERN, Mr. MEEK of Florida, Mr. GEORGE MILLER of California, Mr. MORAN of Virginia, Mr. MURPHY of Connecticut, Mr. MURTHA, Mr. PASCRELL, Mr. RAHALL, Mr. RUPPERSBERGER, Ms. LINDA T. SÁNCHEZ of California, Ms. LORETTA SANCHEZ of California, Mrs. SCHMIDT, Mr. SHUSTER, Mr. SPACE, Mr. STUPAK, Ms. SUTTON, Mr. TANNER, Mr. TIBERI, Mr. TIERNEY, Mrs. JONES of Ohio, Mr. UDALL of Colorado, Mr. VISCLOSKY, Mr. WILSON of Ohio, and Mr. YARMUTH.

H. Res. 744: Mr. FILNER.

H. Res. 770: Ms. GRANGER, Mr. BRADY of Pennsylvania, and Mr. MCINTYRE.

H. Res. 772: Mr. PETRI.

H. Res. 777: Mr. MCGOVERN and Ms. FOXX.

H. Res. 783: Mr. CHABOT, Mr. COBLE, Mr. KNOLLENBERG, Mr. SHULER, Mr. PORTER, Mr. ISSA, Mr. CANNON, Mr. HAYES, Mr. GERLACH, Mr. STEARNS, Mrs. BOYDA of Kansas, Mr. LOBIONDO, Mr. CONAWAY, Mr. SULLIVAN, Mr. SOUDER, Mr. CARNEY, Ms. FOXX, Mr. BUCHANAN, Mr. DAVID DAVIS of Tennessee, Mr. KINGSTON, and Mr. HENSARLING.

H. Res. 784: Mr. BOOZMAN, Mr. BURTON of Indiana, Mr. CALVERT, Mr. CONAWAY, Ms. FALLIN, Mr. HUNTER, Mr. MCKEON, Mr. MILLER of Florida, Mr. SENSENBRENNER, and Mr. SHAYS.

H. Res. 785: Mr. BACA, Mr. BECERRA, Ms. BORDALLO, Mr. BARTLETT of Maryland, Mr. SKELTON, and Mr. COSTELLO.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H. Res. 106: Mr. Fortuño.

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 110th CONGRESS, FIRST SESSION

Vol. 153 WASHINGTON, WEDNESDAY, OCTOBER 31, 2007 *No. 167*

Senate

The Senate met at 12 noon and was called to order by the Honorable ROBERT P. CASEY, Jr., a Senator from the State of Pennsylvania.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

O God, who remains the same though all else fades, You don't leave us when we leave You. You are gracious and compassionate, slow to anger, and rich in love.

Thank You for Your presence in the lives of our Senators. Give them a clearer vision of the light that leads to truth. Remind them that everything is possible for those who believe. Incline their hearts to Your wisdom and love, as you keep them on the path of integrity. May they find rest and joy in spending time with You. When their hearts grow faint and weary and the night overtakes them, renew their strength and enable them to soar on eagle's wings. May the differing approaches expressed by both parties contribute to greater solutions to the problems in our world. Lord, deliver our lawmakers in times of trouble and bless them as they seek to honor You.

We pray in Your wonderful Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable ROBERT P. CASEY, Jr., led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, October 31, 2007.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable ROBERT P. CASEY, Jr., a Senator from the State of Pennsylvania, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. CASEY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, today the Senate will conduct a period of morning business for an hour, with the time equally divided and controlled. The majority will control the first half and the Republicans will control the final half.

Following morning business, the Senate will resume the motion to proceed to H.R. 3963, the children's health insurance legislation.

For the knowledge of all Members, we came in late today. There was a very important hearing that one of the committees had. We had been told that there would likely be a Senator who would object to the committee meeting, so we came in later so they could complete their work. I think we will still accomplish all we need to do.

I filed a cloture motion on the motion to proceed. Unless an agreement is reached, we will have a cloture vote sometime this afternoon.

We are going to start the farm bill after the CHIP legislation is completed or disposed of. That will be Monday when we will move to the farm bill.

MEASURES PLACED ON CALENDAR—S. 2264 and H.R. 2295

Mr. REID. Mr. President, I ask that the Chair direct its attention to two bills at the desk and due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the titles of the bills for the second time.

The assistant legislative clerk read as follows:

A bill (S. 2264) to amend the Internal Revenue Code of 1986 to extend for two years the tax-free distributions from individual retirement plans for charitable purposes.

A bill (H.R. 2295) to amend the Public Health Service Act to provide for the establishment of an Amyotrophic Lateral Sclerosis Registry.

Mr. REID. Mr. President, I now object to any further proceeding to these bills en bloc.

The ACTING PRESIDENT pro tempore. Objection is heard. The bills will be placed on the calendar.

CHILDREN'S HEALTH INSURANCE PROGRAM

Mr. REID. Mr. President, children's health is a tremendously difficult issue because children all over America need to be able to go to a doctor when they are sick or hurt. The way this body is operating now basically is that we are not going to be able to complete, it appears, our legislation. The President has vetoed the bill once. We were told that if certain changes were made, Republicans in the House would look to this legislation favorably. We did make some changes. We tightened down the legislation so it is virtually impossible for anyone who is here illegally to obtain benefits from this program. We changed that.

We also limited the legislation so parents or adults without children would be off the program in 1 year. Also, there could be no waivers for

those over 300 percent of poverty. Ninety-two percent of the individuals getting benefits from the legislation are 200 percent above poverty.

We made those changes, hoping it would bring some around. After that was done and it passed the House and came over here, we were told by a number of individuals if we would hold off on this legislation, there would be an agreement reached, and I thought that was a good suggestion. As the RECORD indicates, yesterday I asked that that be the case. Obviously, that was not the case. An objection was heard and we were unable to delay the vote.

This morning, we heard something from the President that is totally different. He keeps changing the ball here. First of all, he indicated to Leader PELOSI and me that he would like to sit down and talk to us. He said that publicly in the press. After the veto vote, he said he would like to come down and talk to us. Then he said, no, I am not going to talk to you; talk to my staff. Obviously, he wasn't leveling with the American people then.

Today, he came up with a new deal. He doesn't like the way it is paid for. I guess his term of reference is that we don't pay for much around here. That is why we have these staggering deficits. But he said in the press today he didn't like the way it is paid for. Remember, we are on a pay-go program around here. Any new spending has to be paid for. This children's health program is paid for with tobacco taxes. So the goalposts keep being moved.

What are the consequences? Is it a bunch of talk by Government officials, of which I am one? It is very serious. Twenty-one States will run out of money for childrens' health insurance in the coming year. At least nine of those States will exhaust their allotments in March if Congress continues spending at current levels.

There is a report that came out today in the New York Times newspaper. California is adopting rules, in case that happens, to create a waiting list and remove more than a million children who are already on the rolls. These are kids. The nine states that will run out of money by March are Alaska, Georgia, Illinois, Iowa, Maine, Maryland, Massachusetts, New Jersey, and Rhode Island. This comes from a nonpartisan, nonpolitical organization, the Congressional Research Service.

So there are real consequences to what we are not doing. We are going to go ahead with the vote today and complete this legislation, as I indicated, sometime this week. If we have to work into the weekend, we will. I have alerted the Republican leader of that. If necessary, we can, of course, condense that time, but it would take consent of all the Senators.

We are, in good faith, trying to protect children—children who are already receiving the benefits of this program that was adopted 10 years ago on a bipartisan basis, led by Senators KENNEDY and HATCH. Now we are trying to further this legislation, led by Senators BAUCUS, GRASSLEY, ROCKEFELLER and HATCH and their counterparts in the House.

I think it is a real shame that we are at the point where we are. Ten million children, if we pass this legislation, would have the benefits of this insurance. If we don't pass it, as indicated in some of the statistics I gave a minute ago, 9 States will run out of money in March and 21 States will run out next year sometime.

The program now has 5.5 million children on it. If we don't do anything by year's end, it will be down to about 3 million children. That is what I am told. If we pass our legislation—and it doesn't cost the American people any money—we would wind up having 10 million children covered. As I have indicated, most all adults will be off the program, as I have indicated to the chair and to those within the sound of my voice.

This is a good program. This doesn't take into consideration approximately 50 million people who have no health insurance, but it takes care of a few of the children—the little people—who need help when they are sick and hurt. This allows them even to go get some preventive care, which is badly needed, which will save our country a lot of money in the so-called outyears.

We are ready and willing to be reasonable, but it appears we have no alternative, based on what we did yesterday, to proceed forward and send the bill to the President again. The only thing that would come in the way of that is if the Republicans use whatever excuse they can come up with to try to satisfy the President.

As I said yesterday, in the 7 years this man has been President, he has had the strings on his puppets in the Senate. Maybe people who voted for this on more than one occasion will switch and say we don't like the way we are being treated. Remember, we have given them everything they wanted, and they could not take yes for an answer yesterday.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

NOMINATION OF JUDGE MICHAEL B. MUKASEY

Mr. MCCONNELL. Mr. President, today marks the 40th day since the nomination of Judge Michael Mukasey to be Attorney General.

The Mukasey nomination was the culmination of a process in which the President was extremely solicitous of the views of the Democratic majority.

Let's recap. Our friends on the Democratic side of the aisle did not want the former Attorney General to continue in office and, as we all know, he resigned.

Our Democratic colleagues wanted to be consulted on whom the next Attorney General should be. Well, the administration consulted extensively with our Democratic friends.

Our Democratic colleagues did not want the former Solicitor General, Ted Olson, to be nominated. He, in my view, would have made an outstanding choice. But the administration did not nominate him.

Our Democratic colleagues said if, instead, the President ''were to nominate a . . . conservative . . . like Mike Mukasey,'' he ''would get through the Senate very, very quickly.'' Well, the President didn't nominate somebody like Mike Mukasey; the President nominated Mike Mukasey himself. He received widespread acclaim for taking that step.

So it is apparent the President acted in a very bipartisan fashion in reaching the decision he did to nominate Judge Mukasey.

So did our Democratic colleagues reciprocate to that act of good faith? At this point, it is kind of difficult to say they have. First, they held up the nomination for weeks before even scheduling a hearing—an action—or, more precisely, an inaction—which the Washington Post termed ''irresponsible.''

Then, despite the fact that Judge Mukasey testified for 2 days and answered 250 questions in the process, our Democratic colleagues asked him to answer an additional 500 written questions. By contrast, Attorney General Reno did not receive any written questions until after she was confirmed. Then it took over 2 weeks for a markup to be scheduled. I understand one now has been scheduled for next Tuesday, and I am certainly glad that has finally occurred, but it shouldn't have taken nearly this long.

Months ago our Democratic colleagues told us ''this Nation needs a new Attorney General and it can't afford to wait.'' That was the cry on the other side: We need a new Attorney General and we can't afford to wait. Unfortunately, since then, we have been waiting and waiting and waiting. We have been waiting so long that Judge Mukasey's nomination is the longest pending Attorney General nomination in two decades.

Now the good news is that the markup has been set. We need to get Judge Mukasey's nomination to the floor for an up-or-down vote as soon as possible.

I think we have seen some unfortunate flareup of partisanship. Hopefully that will not continue and we can get Judge Mukasey to work down at the Justice Department where we all agree his services are very greatly needed.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to a period for the transaction of morning business for 60 minutes, with Senators permitted to speak for up to 10 minutes each, with the first 30 minutes under the control of the majority and the final 30 minutes under the control of the Republicans.

The Senator from West Virginia.

CHILDREN'S HEALTH INSURANCE PROGRAM

Mr. ROCKEFELLER. Mr. President, yesterday the President of the United States stood on the steps of the White House and had the audacity to lecture Congress about how to do our work. It is precisely a lack of Presidential leadership, potentially a lack of policy interest, and certainly a lack of understanding of responsible Government that is getting in the way of solving our Nation's problems—the President.

This Congress inherited a growing deficit from Mr. Bush—his created deficit, not his father's; his—and Congress has committed to live by a pay-as-you-go way of spending which makes life very tough. It is the absolute height of hypocrisy to have a President who effectively frittered away, gave away, to his rich friends a $5.6 trillion surplus and to have him lecturing the Congress about skyrocketing spending.

Did all of that go to his rich friends? No; most of it did. Some of it went to his brilliantly conceived war in Iraq which has made America a much less safe place to live, while the Taliban and others grow stronger in Afghanistan.

America needed, when he took office and especially after 9/11, to make some substantial investments in our defense and intelligence infrastructure, as well as very new and very good homeland security initiatives to respond to the September 11 attacks and ongoing threats. That spending was required for our national security.

Generally speaking around here, we take national security pretty seriously. We do on the Intelligence Committee. But that is not where the bulk of taxpayers' dollars has gone under this administration. Instead, we have given trillions of dollars away in tax cuts to millionaires and billionaires, and we are in year 5 of an astronomically expensive Iraq war with a failed strategy that is, as I said, making America less safe.

I am going to say to the President, this is not a political speech. I do not often come to the floor of the Senate to speak. I prefer to do my work in committees and in conferences. But I am fed up and outraged at what has transpired from the White House.

Meanwhile, on the home front, our domestic priorities, such as children, we have met a concrete wall of resistance. The veto of the Children's Health Insurance Program rests with him and it rests with him, President Bush, alone.

The Democratic leader was talking about some of the falsehoods the President has used in arguing against—publicly, constantly, all the time—the Children's Health Insurance Program, none of which are true. All of those who not only created the program, as I did along with John Chafee and ORRIN HATCH, but those of us who are working on it now, in an extraordinarily bipartisan way amongst ourselves and with the House, are trying to make it work. But over all that, there is this looming understanding that no matter what we do, the President is going to veto the bill. I will get into that later.

So now the President is threatening to veto and then veto again and then veto again appropriations bills aimed at investing in other pressing domestic needs. While, at the same time he is pushing to make the tax cuts for billionaires and millionaires, that I referred to before, permanent while advocating little to nothing for hard-working, middle-class families.

Congress is keeping its promise to the working-class families in West Virginia and around the Nation. We try to put the best interests of our soldiers, our children, our veterans, and our families first, and we have done so. We are the ones who have done that. If the President thinks that vetoing bill after bill and threatening to do so, setting the tone to do so, somehow achieves his goals, it is going to make him even less relevant to the American people than he is now.

Let me comment a little bit more on his statement regarding CHIP, the Children's Health Insurance Program. It is certainly the best program since Medicaid in terms of health care and one which is working, according to all analysis, efficiently and effectively and humanely.

As we all know, after months of intense negotiations between Republicans and Democrats, Congress presented a bill to the White House that would continue the health care coverage of the 6.6 million children currently covered and add on approximately 4 million more. It would give 10 million-plus children insurance, little children who have no health insurance, and we want to tend to that problem.

It has been an entirely bipartisan process. CHUCK GRASSLEY, the honorable senior Senator from Iowa, MAX BAUCUS, the honorable senior Senator from Montana, JAY ROCKEFELLER, the honorable junior Senator from West Virginia, and ORRIN HATCH, the honorable senior Senator from Utah have worked for months, more importantly have our staffs, on a bipartisan basis, have worked for months, 7 days a week, through the night, to try to make this bill work.

The President wanted to put $5 billion into it, which would have cut a lot of children out of health insurance. Obviously, the Democrats wanted to put in $50 billion into it. The Republicans wanted to put $22 billion into it. What we did, the four of us Senators who are doing this, met every single afternoon for weeks and for months from 5 to 7 to figure out a way, arguing, walking out sometimes, negotiating, and finally coming to the figure of $35 billion, and we were all happy. We all shook hands with pride because we knew we were doing something good for America's children. There were no politics there. It was pure negotiations in the interest of the people who don't start wars, who don't get our Nation into trouble, and who don't have any health insurance.

Congress met its responsibility. We did the right thing by our children. The President perhaps didn't understand the policy involved. I don't know. As the leader indicated, he didn't want to talk about it. But he certainly deliberately told a lot of falsehoods about the program, and the leader also discussed that situation, never mentioning that 91 percent of all children retrospectively and prospectively—the 6.6 million plus the 4 million—are at 200 percent of poverty or below—91 percent, 9 out of 10.

I see them with my eyes in West Virginia. I see them as a VISTA volunteer. I see them now as a relatively senior, though still junior, Senator because they are people. When their teeth are not fixed, their lives are changed. When their baby teeth are not fixed, don't worry about the adult teeth to follow; they are already compromised. And immunizations, EPSDT, all kinds of other health care needs.

We did the right thing by our children. The President—and it was the President who decided to veto this bill—it was the President who abdicated his moral responsibility to our children in favor of tobacco and partisan politics, or ideology. It doesn't matter, does it, if he is going to veto the bill. I just came from a meeting a half hour ago where Republicans and Democrats from the House and Senate were trying to work out a compromise, but there was this looming sense that whatever we do was going to get vetoed, so it didn't make any difference.

Ten million children—this isn't some controversial dam or earmark. This is uninsured children. Some of them had been previously uninsured and now are, and 4 million more who are uninsured. They are children. If you don't get a healthy start in life, everything is compromised—your health, your self-esteem, your prospects, your future, your life. It starts with health care.

It is the President who continues to tell these falsehoods about our bill to take attention away from the real issue. This is not about the cost of the bill, this is not about uninsured adults, this is not about illegal immigrants. This is about not wanting to give poor and low-income children and children whose parents cannot afford private insurance access to something monumental called health care.

The President said so himself in a statement which I can barely get out of

my mouth. He said to a Cleveland audience on July 10 of this year:

I mean, people have access to health care in America, after all. You just go to the emergency room.

Mr. President, you cannot understand health care, you cannot understand any of its intricacies, you cannot understand any of its broad oversweeps and ever, not even once in your life, make a statement such as that. The last time as a Senator I was in a waiting room in an emergency room with a child was about 1 or 2 years ago, and we waited 9 hours. So that statement, which is hard for me to say, alone, speaks volumes about his less than compassionate intentions.

Yesterday, the President accused Democrats in Congress of going it alone without seeking input from Republicans. There is absolutely nothing that could be further from the truth. We sought input from him, and we were turned down. We have done nothing but work with Republicans. We were working with Republicans 45 minutes ago in an hour, hour and a half long meeting—I don't know how long. I think we are meeting again this afternoon—from the House. We are trying to resolve this, all at the same time understanding that at the end of the day it is probably all going to get vetoed. But we don't care because we do care about children. It is about children. It is about children and their right to have health care, and we are in a position to do it.

I went to a high building in New York at the invitation of somebody, and I walked in and I was greeted very coldly. I sat down. I was stared at very coldly. I became moderately unhappy. So I decided to start out the conversation, which he had asked for.

I said: How much are you going to make this year?

He said: $183 million.

But he said: If you people on the Finance Committee would do something about deferred compensation, I could make more.

Now, this put me in a real kind of quandary. I didn't want to be impolite—I did want to be impolite, but I didn't want to show it—and so I said to him: How is it that I describe something called the United States of America? How is it that I deal with income disparity? How is it that I come from your $183 million, plus whatever it is if we did on the Finance Committee would give you more, to the fact that the average working family who pays taxes and works and has children in West Virginia has an income of $26,600 a year? How do I get from $26,000 a year to $183 million-plus a year and still call this the United States of America, which is trying to resolve income disparity and treat people fairly?

I couldn't do it. The conversation was not pleasant, and I got up and walked out. I am happy to say the gentleman was fired a week later.

So we have tried to get the attention of the White House. We have tried to engage the White House. We have tried to do it not for the sake of just simply crafting a bill, but because we have a passionate belief that goes back to 1996—a passionate belief that we are speaking on behalf of millions of American families who cannot afford something so basic as health care and that we can fix it for them for $35 million, and that is over a period of years, but we were rebuffed. We were vetoed, and we have actually been vetoed verbally five or six times since.

CHIP is a bipartisan program. The bill passed by the Congress is a bipartisan bill. It does have strong Republican support. There were a lot of Republicans in the House who voted for their version of the bill despite very obvious arm-twisting by the White House. If there is any hope left of enacting a children's health insurance bill this year, it is because there is still a bipartisan group of Senators and Congressmen who are working to keep it together.

But if the President continues to mischaracterize our bill and engage in disinformation, then I would say to my colleagues: Enough is enough. Enough is enough. Either you are for giving kids a healthy start in life or you are not. It is that simple. Money is not the problem. Paying is the problem. Injustice is the problem. Poverty is the problem. Money is not.

Well, the President has made his choice. For him, children evidently don't really need health care. They can just go to the emergency room. It is really a poignantly horrible statement for him to have made. I don't know if he has ever been to an emergency room. I have. He is entitled to his conscience, of course, and he is entitled to his opinion. He is entitled to protecting tobacco over protecting children. That is his right. He is the President. He has the veto pen, and he can sign or veto. He chooses to veto. But let us be very clear: He will have this as his legacy.

As a nation, we have always done what is right by our most vulnerable populations, not sometimes as efficiently or as swiftly as we could, but as we could. Our seniors and our children have always been at the top of that. Now our veterans are sacred. Veterans, when they go to serve our country, are soldiers for their entire lives, and we protect them. If this President won't live up to that ideal, then it is time to get one who will.

I thank the Presiding Officer, and I yield the floor.

The PRESIDING OFFICER (Mr. MENENDEZ). The Senator from Arizona.

Mr. KYL. Might I just inquire now, would we be beginning the Republican time for morning business?

The PRESIDING OFFICER. There is still 9½ minutes remaining on the Democratic time.

Mr. KYL. I understand we have permission to proceed, and I thank the majority for that and would note that when speakers come on their side, then they would be entitled to their time.

The PRESIDING OFFICER. Without objection, the Senator from Arizona is recognized.

NOMINATION OF JUDGE MICHAEL MUKASEY

Mr. KYL. Mr. President, I wish to urge the swift confirmation of Judge Michael Mukasey as Attorney General. It has been 6 weeks now, and the Senate Judiciary Committee has not even taken up the nomination. It is past time to fill this vacancy.

There is no question this nominee is qualified to serve. I don't need to recite his qualifications. They were mentioned by many Members at Judge Mukasey's nomination hearing.

The distinguished majority leader said:

Judge Mukasey has strong professional credentials and a reputation for independence. A man who spent 18 years on the Federal bench surely understands the importance of checks and balances and knows how to say no to the President when he oversteps the Constitution.

There is no question, the Nation would be well served by Judge Mukasey's confirmation. Indeed, in recommending Judge Mukasey to serve on the Supreme Court, Senator SCHUMER noted that Judge Mukasey, and the others he recommended:

. . . were legally excellent, ideologically moderate, within the mainstream, and have demonstrated a commitment to the rule of law.

Surely, if a man is qualified and independent enough to be on the Supreme Court, we should have far fewer concerns when nominating him to serve the remaining time of about 1 year as Attorney General.

It seems to me that what this debate boils down to is politics. Some Members want more information about his views. I would note that he testified for 2 full days and has answered nearly 500 written questions. The initial reaction from many of my Democratic colleagues was that he was extremely forthcoming and they were pleased with his candidness. But for some Senators, apparently this is not enough. It almost seems to me as if some of my colleagues are willing to hold this nomination hostage until he gives them exactly the answers they want, even when he is unable as a legal matter to do that.

Let me explain why. Judge Mukasey has not been briefed on classified programs, and he will not be briefed on classified programs until he becomes the Attorney General, but some of my colleagues now seem to be saying he should have to make pronouncements about the legalities of those programs even when he doesn't know their details—can't know their details. How is this independent?

I would suggest this: My colleagues don't want an Attorney General who is independent; they want an Attorney General who will kowtow to their views and make pronouncements over

issues on which he is not legally allowed to opine. That is, of course, the opposite of independence.

Since the beginning of this Congress, Democratic Senators have repeatedly called for new leadership at the Department of Justice. They have said the work of the Department is too important to delay confirmation of a new Attorney General. Well, now is the time for them to act.

Before the nomination, Senator SCHUMER said:

> Let me say, if the President were to nominate somebody, albeit a conservative, but somebody who put the rule of law first, someone like a Mike Mukasey, my guess is that they would get through the Senate very, very quickly.

Well, my colleague would have guessed wrong. It hasn't been quick. The Senate Judiciary Committee has not moved quickly, and this is all the worse because the average amount of time between nomination and confirmation of the last nine Attorneys General has been 21 days. Already Judge Mukasey has been pending for about twice that period of time—6 weeks—longer than any Attorney General nominee in 20 years. If these delays continue, obviously new records are sure to be broken.

The bottom line here is that President Bush has nominated a distinguished and nonpolitical candidate to be the next Attorney General. The Senate should reciprocate by using the confirmation process not to settle old scores or to politicize the nomination. Independence has to mean something. We do not want an Attorney General who refuses to give his honest legal opinions to the President, and we don't want one who is forced to make commitments to the Senate that are not grounded in facts or law.

The Department of Justice needs an Attorney General with the foresight and experience to resolve the issues the Nation's top law enforcement agency faces and to tackle the difficult challenges especially presented in a post-9/11 world. The qualities and background of Judge Michael Mukasey, combined with his extensive experience in national security and terrorism cases, commend him to serve as Attorney General in these challenging times. It is important for the Senate to move on with this important business of the Nation so that Judge Mukasey can be voted on by the Senate.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I wish to be associated with the remarks of the distinguished Senator from Arizona. I think he summed it up pretty well, but let me just make some comments myself about the Mukasey nomination.

Just when you thought it might be safe to venture back into the confirmation water, the partisan sharks rush in and push you right back onto the beach. Today is 40 days—40 days—since the Senate received the nomination of Judge Michael Mukasey to be Attorney General of the United States, 40 days in the partisan wilderness for a man who is superbly qualified and widely respected and whose service is desperately needed.

Before addressing what is being done to Judge Mukasey, let me remind my colleagues who he is. Michael Mukasey has spent four decades serving the law and the country. He spent 16 years in private legal practice, 4 years as a Federal prosecutor, and 19 years as a Federal district court judge. He was head of the Official Corruption Unit during his service as assistant U.S. attorney and chief judge during his last 6 years as a U.S. district judge, both in the Southern District of New York.

Judge Mukasey's service in that particular jurisdiction gave him the expertise in national security issues that makes him especially qualified to lead a Justice Department that is being retooled for the war on terrorism and especially since the war on terrorism continues as we stand here on the floor. He presided over the 9-month trial of Omar Abdel Rahman and sentenced him to life in prison for the 1993 plot to blow up the World Trade Center.

When the U.S. Court of Appeals for the Second Circuit affirmed Judge Mukasey's decision, it took the unusual step of commenting on how he handled the trial. These are the appeals court's words. Judge Mukasey:

> . . . presided with extraordinary skill and patience, assuring fairness to the prosecution and to each defendant and helpfulness to the jury. His was an outstanding achievement in the face of challenges far beyond those normally endured by a trial judge.

That was the U.S. Court of Appeals for the Second Circuit on August 16, 1999.

That is a remarkable statement. Appeals courts review district court decisions, but rarely do they comment in this manner on district court judges.

Both generally and specifically, by any reasonable or objective standard, Judge Mukasey is eminently qualified to be our next Attorney General. By the standards set by my Democratic colleagues themselves, Judge Mukasey should by now have become Attorney General Mukasey. My Democratic colleagues have repeatedly said that the Justice Department needs new leadership and needs it now. The Senator from New York, Mr. SCHUMER, whom my colleague from Arizona quoted, is a Judiciary Committee member and a serious one. He has said:

> We can't afford to wait because justice is too important.

He is not alone in making that statement among the Democrats. The Democratic mantra is, justice is too important to wait; we need a new Attorney General now. My Democratic colleagues also offered criteria, offered a description of the kind of Attorney General we need right away. The chairman of the Judiciary Committee, Senator LEAHY, said:

> We want the best man or woman who can run the place, restore the sense of commitment and restore the sense of integrity to the Department of Justice.

The Senator from New York, Mr. SCHUMER, who knows him well, said the nominee would have to be someone of unimpeachable integrity, experience, and someone who could hit the ground running.

I respectfully say to my Democratic colleagues that Judge Mukasey fits your bill. He can run the place. He is a man of integrity and experience. He certainly can hit the ground running.

It appeared for a short, brief time that my Democratic colleagues thought so too. After a full day of testimony, Chairman LEAHY told Judge Mukasey that his answers showed his independence and his agreement that political influence has no place in law enforcement.

Mr. SCHUMER, the distinguished Senator from New York, said:

> The most important qualities we need in an Attorney General right now are independence and integrity, and looking at Judge Mukasey's career and his interviews that we have all had with him, it seems clear that Judge Mukasey possesses these vital attributes.

I ask unanimous consent that these and some other quotes be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. HATCH. We need a new Attorney General now. In fact, we needed him 40 days ago. Justice is too important to wait. Judge Mukasey meets the criteria. He is qualified. He is ready to lead. Then why is Judge Mukasey not already on the job leading the Justice Department to where Americans think it needs to be? Why is his nomination stalled, 40 days into the confirmation process, without even a committee vote?

It is certainly not because this is the way Attorney General nominees have been treated in the past. In my 31 years in this body, we have taken an average of 3 weeks to move an Attorney General nominee from nomination to confirmation. It has already been twice that long—40 days and counting—for Judge Mukasey, and he was only today put on the Judiciary Committee agenda for next week.

Let me rewind the confirmation clock to 1993, the last time a Democratic Senate evaluated a nominee for Attorney General. Janet Reno, the Democratic nominee, received very different treatment than this Republican nominee is receiving today. Miss Reno's nomination went through the entire confirmation process from initial receipt to final confirmation in less time than Judge Mukasey's nomination has been sitting in the Judiciary Committee since this hearing.

While the Judiciary Committee will not vote on Mukasey's nomination until at least next week, the committee did not even wait for a markup to approve the Reno nomination.

I was the ranking member on the Judiciary Committee, and I supported

then-Chairman BIDEN's request to vote on Miss Reno's nomination at the end of the hearing. I knew Janet Reno was very liberal. I knew she didn't agree with most Republican Senators. But she was qualified. She was a decent person. To be honest with you, the Senate unanimously confirmed her the very next day after the hearing, without even a markup.

While Senators gave Judge Mukasey nearly 500 written questions, after 2 days of oral testimony—500 written questions, the answers to which he already has provided, I might add—no Senators gave even a single question to Miss Reno.

What happened? Why such radically different treatment when a Democratic nominee for Attorney General comes up? It is simply because a Republican rather than a Democrat is in the White House and because we have a different approach toward matters.

Most of us believe when a President is elected, that President, he or she, should have the right to the nominees they put up, as long as they are competent and decent.

The need for new Justice Department leadership remains. Judge Mukasey's obvious qualifications are the same. What happened that his nomination is now being obstructed, slowed down, and delayed? The latest excuse is that Judge Mukasey will not state on the fly a legal conclusion for a Justice Department he has not yet led about whether the coercive interrogation technique known as waterboarding constitutes torture. He will not come to legal conclusions before he can apply appropriate legal standards to appropriate facts. I think that is a mark in his favor. He should be praised, not criticized, for taking this approach.

Rather than focusing on his refusal to answer a question that he should not answer, I want to remind my colleagues what Judge Mukasey has said on this subject. Everyone appeared pleasantly surprised when Judge Mukasey denounced torture during his hearing. He went so far as to explain how torture violates not only statutes or treaties but the United States Constitution itself.

Judge Mukasey said if waterboarding properly can be labeled torture, then it too is unconstitutional. In a letter dated yesterday, Judge Mukasey said he considers techniques such as waterboarding personally repugnant. But personal conclusions are not the same as legal conclusions. So Judge Mukasey outlined in detail the kind of analysis he would follow to decide whether such interrogation techniques constitute torture prohibited by the Constitution, or cruel, inhuman, or degrading treatment prohibited by statute and the Geneva Conventions.

I ask unanimous consent that his letter be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 2.)

Mr. HATCH. Judge Mukasey wrote:

Legal questions must be answered based solely on the actual facts, circumstances and legal standards presented.

How can he possibly be criticized for making legal judgments by applying legal standards to appropriate facts? What kind of crazy, topsy-turvy confirmation process is this? My Democratic colleagues demanded over and over that, if confirmed, Judge Mukasey must exercise his own independent judgment and that he must answer legal questions on his own; that he must not base advice on political pressure. But now they criticize him for doing precisely what they told him to do. Democrats now criticize Judge Mukasey for saying he will exercise his own independent judgment and answer legal questions on his own, without basing his advice on political pressure. My Democratic colleagues cannot insist that Judge Mukasey be independent toward a Republican President but compliant toward a Democratic Senate. They cannot declare that the Constitution is not whatever President Bush says it is, but demand Judge Mukasey's agreement that the Constitution is whatever Senate Democrats say it is.

We should stop playing partisan political games with this nomination. The Justice Department is too important for this type of stuff. Judge Mukasey is eminently qualified to provide the leadership the Department needs now. His insistence that independent legal judgment rather than emotion or partisan pressure will guide him only enhances his fitness for taking the helm at the Justice Department.

Forty days into the partisan wilderness is more than enough. We should confirm Judge Michael Mukasey without further delay.

I yield the floor.

EXHIBIT 1

DEMOCRATS SAY THE JUSTICE DEPARTMENT NEEDS NEW LEADERSHIP NOW

Senator Chuck Schumer (D–NY): May 24, 2007: ''This nation needs a new Attorney General, and it can't afford to wait.''; August 27, 2007: ''the Justice Department . . . desperately needs new leadership.''

Senator Sheldon Whitehouse (D–RI): June 11, 2007: ''the U.S. Department of Justice is a precious institution in our democracy . . . and we need to take some action.''

DEMOCRATS PRAISE JUDGE MUKASEY

Senator Chuck Schumer (D–NY): May 22, 2007: ''If the president were to nominate somebody . . . like a . . . Mike Mukasey, my guess is they would get through the Senate very, very quickly.''; October 17, 2007: ''The most important qualities we need in an Attorney General right now are independence and integrity. And looking at Judge Mukasey's career and his interviews that we have all had with him, it seems clear that Judge Mukasey possesses these vital attributes.''; October 18, 2007: ''He could get a unanimous vote out of this committee. . . . It's not a done deal yet. But he could.''

Senator Pat Leahy (D–VT): October 16, 2007: ''I would expect him to be confirmed.''; October 17, 2007: ''I appreciate [not only] the succinctness of your answers but the clarity of them.''

Senator Ben Cardin (D–MD): October 17, 2007: ''I've been very impressed by the direct answers that you've given to very important questions.''

EXHIBIT 2

MICHAEL B. MUKASEY

Hon. PATRICK J. LEAHY, Hon. JOSEPH R. BIDEN, Jr., Hon. DIANNE FEINSTEIN, Hon. CHARLES E. SCHUMER, Hon. BENJAMIN L. CARDIN, Hon. EDWARD M. KENNEDY, Hon. HERB KOHL, Hon. RUSSELL D. FEINGOLD, Hon. RICHARD J. DURBIN, Hon. SHELDON WHITEHOUSE,

DEAR CHAIRMAN LEAHY, SENATORS KENNEDY, BIDEN, KOHL, FEINSTEIN, FEINGOLD, SCHUMER, DURBIN, CARDIN and WHITEHOUSE: Thank you for your letter of October 23, 2007. I well understand the concerns of the Senators who signed this letter that this Country remain true to its ideals, and that includes how we treat even the most brutal terrorists in U.S. custody. I understand also the importance of the U.S. remaining a nation of laws and setting a high standard of respect for human rights. Indeed, I said at the hearing that torture violates the law and the Constitution, and the President may not authorize it as he is no less bound by constitutional restrictions than any other government official.

I was asked at the hearing and in your letter questions about the hypothetical use of certain coercive interrogation techniques. As described in your letter, these techniques seem over the line or, on a personal basis, repugnant to me, and would probably seem the same to many Americans. But hypotheticals are different from real life, and in any legal opinion the actual facts and circumstances are critical. As a judge, I tried to be objective in my decision-making and to put aside even strongly held personal beliefs when assessing a legal question because legal questions must be answered based solely on the actual facts, circumstances, and legal standards presented. A legal opinion based on hypothetical facts and circumstances may be of some limited academic appeal but has scant practical effect or value.

I have said repeatedly, and reiterate here, that no one, including a President, is above the law, and that I would leave office sooner than participate in a violation of law. If confirmed, any legal opinions I offer will reflect that I appreciate the need for the United States to remain a nation of laws and to set the highest standards. I will be mindful also of our shared obligation to ensure that our Nation has the tools it needs, within the law, to protect the American people.

Legal opinions should treat real issues. I have not been briefed on techniques used in any classified interrogation program conducted by any government agency. For me, then, there is a real issue as to whether the techniques presented and discussed at the hearing and in your letter are even part of any program of questioning detainees. Although I have not been cleared into the details of any such program, it is my understanding that some Members of Congress, including those on the intelligence committees, have been so cleared and have been briefed on the specifics of a program run by the Central Intelligence Agency (''CIA''). Those Members know the answer to the question of whether the specific techniques presented to me at the hearing and in your letter are part of the CIA's program. I do not.

I do know, however, that ''waterboarding'' cannot be used by the United States military because its use by the military would be a clear violation of the Detainee Treatment Act (''DTA''). That is because ''water-

boarding'' and certain other coercive interrogation techniques are expressly prohibited by the Army Field Manual on Intelligence Interrogation, and Congress specifically legislated in the DTA that no person in the custody or control of the Department of Defense (''DOD'') or held in a DOD facility may be subject to any interrogation techniques not authorized and listed in the Manual.

In the absence of legislation expressly banning certain interrogation techniques in all circumstances, one must consider whether a particular technique complies with relevant legal standards. Below, I provide a summary of the type of analysis that I would undertake, were I presented as Attorney General with the question of whether coercive interrogation techniques, including ''waterboarding'' as described in your letter, would constitute torture, cruel, inhuman or degrading treatment, or a violation of Common Article 3 of the Geneva Conventions.

The statutory elements of torture are set forth in 18 U.S.C. §2340. By the terms of the statute, whether a particular technique is torture would turn principally on whether it is specifically intended to cause (a) severe physical pain or suffering, or (b) prolonged mental harm resulting from certain specified threats or acts. If, after being briefed, I determine that a particular technique satisfies the elements of section 2340, I would conclude that the technique violated the law.

I note that the Department of Justice published its interpretation of 18 U.S.C. §2340 in a December 30, 2004 memorandum to then-Deputy Attorney General James B. Comey, which superseded the memorandum of August 1, 2002 that I testified was a ''mistake.'' I understand that the December 30, 2004 memorandum remains the Department's prevailing interpretation of section 2340. Although the December 30, 2004 memorandum to Mr. Comey does not discuss any specific techniques, it does state that ''[w]hile we have identified various disagreements with the August 2002 Memorandum, we have reviewed this Office's prior opinions addressing issues involving treatment of detainees and do not believe that any of their conclusions would be different under the standards set forth in this memorandum.''

Even if a particular technique did not constitute torture under 18 U.S.C. §2340, I would have to consider also whether it nevertheless would be prohibited as ''cruel, inhuman or degrading treatment'' as set forth in the DTA and the Military Commissions Act (''MCA'')—enacted after the Department of Justice's December 30, 2004 memorandum to Mr. Comey—which extended the Convention Against Torture's prohibition on ''cruel, inhuman or degrading treatment'' to individuals in United States custody regardless of location or nationality. Congress specified in those statutes, as the Senate had in consenting to the ratification of the Convention Against Torture, that the Fifth, Eighth, and Fourteenth Amendments to the U.S. Constitution would control our interpretation of the phrase ''cruel, inhuman or degrading treatment.''

The Fifth Amendment is likely most relevant to an inquiry under the DTA and MCA into the lawfulness of an interrogation technique used against alien enemy combatants held abroad, and the Supreme Court has established the well-known ''shocks the conscience'' to determine whether particular government conduct is consistent with the Fifth Amendment's due process guarantees. *See County of Sacramento* v. *Lewis*, 523 U.S. 833, 850 (1998); *Rochin* v. *California*, 342 U.S. 165, 174 (1952). A legal opinion on whether any interrogation technique shocks the conscience such that it constitutes cruel, inhuman or degrading treatment requires an understanding of the relevant facts and circumstances of the technique's past or proposed use. This is the test mandated by the Supreme Court itself in *County of Sacramento* v. *Lewis* in which it wrote that ''our concern with preserving the constitutional proportions of substantive due process *demands an exact analysis of circumstances* before any abuse of power is condemned as conscience shocking.'' 523 U.S. 833, 850 (1998) (emphasis added). As the Supreme Court has explained, a court first considers whether the conduct is ''arbitrary in the constitutional sense,'' a test that asks whether the conduct is proportionate to the governmental interests involved. *Id*. at 847. In addition, the court must conduct an objective inquiry into whether the conduct at issue is ''egregious'' or ''outrageous'' in light of ''traditional executive behavior and contemporary practices.'' *Id*. at 847 n.8. This inquiry requires a review of executive practice so as to determine what the United States has traditionally considered to be out of bounds, and it makes clear that there are some acts that would be prohibited regardless of the surrounding circumstances.

I would have to ensure also that any technique complies with our Nation's obligations under the Geneva Conventions, including those acts, such as murder, mutilation, rape, and cruel or inhuman treatment, that Congress has forbidden as grave breaches of Common Article 3 under the War Crimes Act. With respect to any coercive interrogation technique, the prohibition on ''cruel or inhuman treatment'' would be of particular relevance. That statute, similar in structure to 18 U.S.C. §2340, prohibits acts intended (a) to cause serious physical pain or suffering, or (b) serious and non-transitory mental harm resulting from certain specific threats or acts. Also, I would have to consider whether there would be a violation of the additional prohibitions imposed by Executive Order 13440, which includes a prohibition of willful and outrageous personal abuse inflicted for the purpose of humiliating and degrading the detainee.

As I testified, any discussion of coercive interrogation techniques necessarily involves a discussion of and a choice among bad alternatives. I was and remain loath to discuss and opine on any of those alternatives at this stage for the following three principal reasons: First, to repeat, I have not been made aware of the details of any interrogation program to the extent that any such program may be classified, and thus do not know what techniques may be involved in any such program that some may find analogous or comparable to the coercive techniques presented to me at the hearing and in your letter. Second, I would not want any *uninformed* statement of mine made during a confirmation process to present our own professional interrogators in the field, who must perform their duty under the most stressful conditions, or those charged with reviewing their conduct, with a perceived threat that any conduct of theirs, past or present, that was based on authorizations supported by the Department of Justice could place them in personal legal jeopardy. Third, for the reasons that I believe our intelligence community has explained in detail, I would not want any statement of mine to provide our enemies with a window into the limits or contours of any interrogation program we may have in place and thereby assist them in training to resist the techniques we actually may use.

I emphasize in closing this answer that nothing set forth above, or in my testimony, should be read as an approval of the interrogation techniques presented to me at the hearing or in your letter, or any comparable technique. Some of you told me at the hearing or in private meetings that you hoped and expected that, if confirmed, I would exercise my independent judgment when providing advice to the President, regardless of whether that advice was what the President wanted to hear. I told you that it would be irresponsible for me to do anything less. It would be no less irresponsible for me to seek confirmation by providing an uninformed legal opinion based on hypothetical facts and circumstances.

As I testified, if confirmed I will review any coercive interrogation techniques currently used by the United States Government and the legal analysis authorizing their use to assess whether such techniques comply with the law. If, after such a review, I determine that any technique is unlawful, I will not hesitate to so advise the President and will rescind or correct any legal opinion of the Department of Justice that supports use of the technique. I view this as entirely consistent with my commitment to provide independent judgment on all issues. That is my commitment and pledge to the President, to the Congress, and to the American people. Each and all should expect no less from their Attorney General.

Sincerely,

MICHAEL B. MUKASEY.

The PRESIDING OFFICER (Mr. BROWN). The Senator from Texas is recognized.

Mr. CORNYN. Mr. President, may I inquire how much more time this side of the aisle has in morning business?

The PRESIDING OFFICER. The Senator from Texas would have 12 minutes.

SCHIP

Mr. CORNYN. Mr. President, I realize today is Halloween, so millions of children all over the globe will be showing up at our homes, saying ''trick or treat.'' Unfortunately, Congress has been up to more tricks than treats lately. I say that with a sense of irony but also a sense of great disappointment.

Almost 3 weeks ago, on October 11, I sent a letter to Senator REID, the Senate majority leader, and the Speaker of the House, Congresswoman PELOSI, urging them to work across the aisle with Republicans and Democrats to come up with a sensible compromise on the reauthorization of the State Children's Health Insurance Program.

Today, as we know, is October 31, Halloween, and we have still not been able to come up with a compromise that is reasonable and fiscally responsible which the President will sign. The families and the children in my State of Texas who are, unfortunately, put on edge and suffering some sense of anxiety wondering whether this important program will continue to serve the needs of low-income children are being unfortunately taken advantage of and disadvantaged.

Why in the world would Congress play this kind of game and make those who are the most vulnerable among us the most anxious about their future and whether they will be able to get the health care which everyone in Congress believes low-income children ought to receive?

Instead of negotiating and trying to come up with a sensible compromise,

we find the leadership in the House of Representatives rushing through a bill with little bipartisan input. Rather than trying to hammer out a meaningful compromise, we find a bill that actually costs just as much but serves fewer children and which otherwise makes minor tweaks to the legislation.

This bill clearly misses the mark and fails to reauthorize the State Children's Health Insurance Program according to the original intent of the program, which is putting low-income children first, low-income children whose families earn too much money to qualify for Medicaid—that is up to 100 percent of the poverty level—but who make up to 200 percent of the poverty level. Unfortunately, due to the inaction of the U.S. Congress, we have 700,000 low-income Texas children who qualify for Medicaid, who qualify for SCHIP, but who are currently not signed up and receiving those benefits. Instead, Congress is taking its eye off the ball and exploding this sensible program that deserves to be authorized by raising the eligibility cap to 300 percent of the poverty level but doing nothing—I reiterate—nothing to ensure that low-income children, including 700,000 low-income children in Texas, have coverage first before we grow the program to higher income levels and cover adults as well.

In fact, this legislation repeals the requirement that 95 percent of low-income children below 200 percent of the poverty level be covered first before extending coverage to children from higher income families. I do not believe this provision has the interests of the children this legislation was designed to serve put first. Instead, I think it puts partisan political interests ahead of the interests of low-income children.

All of this has come, of course, in response to the President's veto of the original SCHIP reauthorization, a proposal that failed to encourage participation among the poorest of our children, and instead expanded coverage to children of higher income families as well as adults. Rather than being an obstacle, the President's veto should be looked at as an opportunity to reengage on a bipartisan basis to come up with a solution. It is no wonder that Congress's approval ratings are around the 11-percent range. When the people across America look to Washington to find solutions to their problems, what do they find? They find partisan posturing and precious few results.

This is an opportunity to deliver a result and to keep a promise that we, on a bipartisan basis, have made to the poorest children in our country. What should we have asked ourselves as to what we should do? While we leave our children and their families blowing in the wind, will we turn their lives into campaign promises or will we, instead, keep our word that we came here to serve the needs of the American people, and particularly the most vulnerable among us, by continuing this important program and making sure that poor kids get health care first, before we look at growing this program to cover other more well-to-do children or perhaps even adults as are covered currently in four States.

The recent debate on SCHIP has focused too much on our political gains and not enough on the well-being of our poor children. This bill has become another political football in a game that has been raging for months, but, unlike any other game that I am familiar with, this game has only an imaginary scoreboard, the results are arbitrary, and nothing—nothing—it appears, is out of bounds.

Whenever a health care package for low-income children is delayed because some want to engage in partisan games and political posturing, you know things have gone too far.

They say the definition of insanity is doing the same thing over and over again and yet expecting different results. Well, by that definition, this is insanity. We know the original bill that was vetoed by the President was because it strayed far from the original objectives. It was not funded on a source of revenue that could be expected to pay for this radical expansion of the current program by 140 percent.

Well, we know the reasons the President vetoed that legislation. And what does the leadership in the House of Representatives decide to do? Well, they decide to essentially do the same thing again and dare the President, one more time, to veto this legislation.

It is clear this is not, by definition, good-faith negotiation and attempt, on a bipartisan basis, to solve this very real problem. Rather than give voice to those who want to find a better and more sensible solution to this problem, we will find ourselves this afternoon simply voting on another substantially flawed bill, which the President has likewise promised to veto.

Of course, when the bill returns from its short and uneventful trip to the White House, we will not fail to see the video cameras paraded out for the press conferences to talk once more about how the President and those who voted against this bill have heartlessly blocked it.

It has become a cynical ploy. Everybody gets it. Only people inside the beltway in Washington or inside this Chamber who continue to engage in partisan posturing do not get it. The American people see through it as clearly as you would expect.

The truth is no one wants to see SCHIP reauthorized more than the Members of the Congress, on a bipartisan basis. It is an enormously successful program passed with broad bipartisan support in 1997, and it should be continued. As a matter of fact, those of us who voted against the bill the President vetoed believe we should continue the program, and we should add at least $10 billion to the original funding in order to cover more and more low-income kids.

But even more important than that, in my State of Texas, half of the uninsured children in Texas who are eligible for Medicaid and SCHIP under the current program are not signed up. What is Congress doing to make sure those children are reached out to, that their parents are assisted in filling out the paperwork so they can qualify for this program? Precious little. Precious little.

Congress continues to add 140 percent to the current authority under this program, to take money out of necessary outreach to reach out to the low-income kids and to explode this program into one that covers people making much more money than double the Federal level of poverty.

I will do everything in my power to ensure these children get the health care they need. The problem is, as I and many of my colleagues have pointed out numerous times, this bill does not make these children a priority. It does not make these children a priority but, rather, an afterthought.

Instead, it puts other children, many of whom already enjoy the benefits of private health insurance, in competition with these low-income children for CHIP coverage. The result is that children who most need it get crowded out in favor of children who already have private health insurance.

This bill simply does not fix the problem. It raises the eligibility for CHIP enrollment without a concerted effort to enroll those children who are currently eligible first. Additionally, this new bill does nothing to close the loopholes on income disregard. Now, that is a fancy way of saying disregarding the rules. You say the rules are one thing, but you come behind it later on and say: Well, forget some of these rules when it comes to qualifying income.

This bill is another example of that kind of gamesmanship under the title of income disregards which allows States the ability to, in effect, define a family's income by saying: We will not take into account all income. We are going to disregard some so you will qualify for this Federal Government taxpayer-paid-for benefit.

This loophole would allow States to actually exceed 300 percent of poverty level by disregarding part of the family's income.

Neither does this bill address the crowd-out effect which is expected to shift 2 million children from private coverage to government-run health care. There are a number of other problems with this bill that do nothing to eliminate the document fraud and identity theft that would allow noncitizens to qualify for the benefits under this legislation.

We can do better. We must do better. But we cannot do better as long as we continue to engage in this partisan gamesmanship and political posturing. Unfortunately, it is the low-income children, among the most vulnerable in our country, who are the ones who are left wondering: Is Congress going to act in their best interests?

Unfortunately, they have seen very little evidence so far that they are our

No. 1 priority, as they should be. Instead, partisan politics appear to be the No. 1 priority, and those children appear to be something left behind.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. MENENDEZ. Mr. President, I ask unanimous consent for the rest of the Democratic time in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPUBLICAN OBSTRUCTIONISM

Mr. MENENDEZ. Mr. President, right up the street from here, right up Pennsylvania Avenue, is the White House. It is not far, a little over a mile. But what has been made abundantly clear over the past 10 months since Congress changed hands, what has been made abundantly clear is that when it comes to the priorities of the families of this Nation, when it comes to the values they hold, the distance between here and the White House is many miles.

Americans have seen for themselves what we in Congress want to do for them. They have seen some truly meaningful and landmark initiatives achieved on behalf of American families: The 9/11 Commission bill, bringing security to all our communities; the most sweeping ethics reform in a generation, extracting lobbying influence from the policies that affect all of us; the first increase in the minimum wage, the first raise for American workers in more than a decade; and the most significant college affordability package since the GI bill, because we recognize that a good education is the great equalizer.

But that is not all we are trying to do for middle-class Americans, for working Americans, for families in this country. That is the tip of the iceberg. We want to help American families by investing in security, education, and health care, and we have legislation to do that. Yes, there will be plenty more ideas, plenty more initiatives, plenty more investments in the people of this country whom we stand together to support but only to have the President and his friends in Congress block our progress.

Time after time, a majority of the Members of this body have lined up behind truly important legislation, only to have the President take out his veto pen or our Republican colleagues in the Senate strike up a filibuster.

Yesterday I saw President Bush, flanked by some of his top allies from Congress, complaining about what he claims Congress has not done this year. It takes a lot of nerve for the President to say that, when he received from this Congress landmark security legislation, landmark education legislation, landmark ethics reforms, and the first minimum wage raise in a decade. He signed them all into law, all within 10 months.

It takes a lot of nerve for President Bush to say we are wasting time, when he, along with his allies, has refused the children's health legislation, stem cell research legislation, and legislation to change the course in Iraq.

I know it is Halloween, but the legislative graveyard for which the President is the grim reaper is not a trick or a treat. It is downright scary that the President can be so disconnected from the values and hopes of mainstream America.

Ask the American people: What would they rather us do in Washington—stand up for lifesaving research, lower energy costs, get our troops out of Iraq or kill initiative after initiative that would benefit American families? In Congress, we are going to try to give the President what we call in golf a mulligan on one of the most important investments we can make in our country, the health of our children. The first time, he vetoes it, sending the message that millions of children who have nowhere else to turn are unworthy of a strong Federal commitment.

We believe that is fundamentally wrong. The President has to choose if he is going to sign it into law or again write a big ''no'' on an investment in America's children. This is a President who says, no, no, no, when it comes to investing in our families, but yes, yes, yes, when it comes to more troops, more time, more money for his stay-the-course plan in Iraq.

This is a President who does not see the irony in sticking out the one hand to ask for $200 billion for Iraq this year, while using the other hand to veto health coverage for poor American children. This is a President who has no problem with killing a child's health bill that would have been paid for with 3½ months of Iraq funding. This is a President who says: We are fighting them over there so we do not have to fight them over here, when what he means is: We are spending all our money over there, and we do not have it to spend here.

In Congress, we want a strong investment in children's health care, in stem cell research, in changing the course in Iraq. We have offered those to the President. He has rejected it. The President and his allies seem to want to stay the course in Iraq and not much else.

Well, America is going to see a lot of ghouls and goblins tonight. But what is truly scary is that the legislative grim reaper that threatens millions of families without health care insurance, the demon of oil addiction, and the specter of an endless war, are not going to be gone when we wake up. That is the reality we face. That is why we continue to challenge to change the course.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BROWN. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DORGAN). Without objection, it is so ordered.

Mr. BROWN. I ask unanimous consent to speak for no more than 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSUMER PRODUCT SAFETY COMMISSION

Mr. BROWN. Mr. President, our Nation's haphazard trade policy too often allows contaminated food and dangerous toys onto our shelves and into our homes, and this administration has done little to curb the toxic tide.

Earlier this month, I asked Ohio's Ashland University chemistry Professor Jeff Weidenhamer to test 22 Halloween products for lead. Three products tested were found to contain high lead levels. Acceptable levels of lead, according to the Consumer Product Safety Commission, are 600 parts per million for adults. According to CPSC, there is no acceptable lead level for children. A Halloween Frankenstein cup that Professor Weidenhamer tested—presumably a cup that may end up in a child's mouth—contained 39,000 parts per million versus 600, which is acceptable for an adult, and zero acceptable for a child.

For more than 40 years, parents trusted that their children's toys were safe from lead. The safety net secured to help our families is being systematically dismantled, as the Presiding Officer, the Senator from North Dakota, has pointed out so well, by our Nation's failed trade policies and an apathetic administration. Forty years ago, we banned lead in paint. Now we must ban lead in toys. I am a cosponsor of legislation with Senator OBAMA that would do that.

While a ban on lead in toys is an important step, it doesn't get at the heart of the problem—our failed trade policy. Until we get tough on enforcing safety standards abroad, we won't be able to prevent contaminated products from ending up on store shelves across the country and in our homes.

Distributors seeking low-cost products stretch supply chains to China and cut costs; that is, American companies that import go to China and other countries and push them to cut costs, to cut corners, and then those products are brought back into the United States. That means lead paint in toys because it is cheaper to buy and to apply, it means too often contaminated products in our homes, and it means zero accountability.

We have not made the importers, the contractors, or the Government accountable because of cuts at the Consumer Product Safety Commission and because we have a top Commissioner there who has simply weakened that agency and abdicated responsibility. As yesterday's report highlighted, we must do more to ensure the Consumer Product Safety Commission has what it needs to do its job.

I am a cosponsor of legislation sponsored by Senator PRYOR that would reauthorize and strengthen the Consumer Product Safety Commission. Its budget is half what it was when it began in the 1970s in real dollars. The staff has dwindled over the years from 1,000, including inspectors, to 420. We must instead increase funding and staff at the Consumer Product Safety Commission. We must increase coordination between the CPSC and Customs officials. We must give the Commission the authority to examine and approve other nations' regulatory systems before imports from a country get onto our store shelves.

When we buy tens of billions of dollars of toys, tires, and other consumer products from a country that has weak environmental laws, weak food safety laws, weak consumer protection laws and, at the same time, when our companies that import from other countries push subcontractors in those countries to cut costs, this is what we end up with. That is why we must give the CPSC the authority to examine and approve other nations' regulatory systems.

Unfortunately, as imports from China and other trading nations rise and the recall of toxic products at home increases, the Bush administration continues to call for more Consumer Product Safety Commission cuts.

Yesterday, the Times reported that Chairwoman Nord of the CPSC plans to actively work to kill the Pryor legislation. That is unacceptable. This administration's apathy for policies that protect our families is at best shameful and at worst potentially deadly.

One thing I am sure of: It is time for Nancy Nord of the Consumer Product Safety Commission chair to step aside. She is the acting chairperson but, unfortunately, we have seen a lot more inaction than we have action. It is time to put a chairperson in place who is not satisfied with ''we are doing the best we can.'' We need a chairperson who fights for the authority and the resources the Commission needs to do the job it is supposed to.

Her response to the wave of product recalls has been, to put it charitably, underwhelming. She is fighting efforts to make more information available to the public about product hazards. She opposes protections for whistleblowers who identify shoddy products, and, most importantly, in the face of recall after recall, she has offered no plan to equip the CPSC to fulfill its role in product safety. She spends most of her time trying to make sure her agency isn't scrutinized or held accountable for doing its job. We need a permanent chairperson dedicated to doing the most important thing the CPSC is to do—protecting families and our children, not protecting corporate interests.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BROWN). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

CHILDREN'S HEALTH INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to H.R. 3963, which the clerk will report.

The legislative clerk read as follows:

A motion to proceed to the bill (H.R. 3963) to amend title XXI of the Social Security Act to extend and improve the Children's Health Insurance Program, and for other purposes.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I ask unanimous consent that the cloture vote on the motion to proceed to the children's health insurance bill, H.R. 3963, occur at 3:45 p.m. today, and that if cloture is invoked it be considered invoked as if the vote had occurred at 6:30 p.m. today and concluded at 6:50 p.m., with the time following the conclusion of morning business prior to the vote equally divided between the two leaders or their designees.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I wish to yield to myself 30 minutes, and I also ask unanimous consent that Senator KENNEDY be yielded 30 minutes of the majority's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I am going to talk about a couple subjects this afternoon. I am going to begin, however, talking about the issue of children's health insurance.

The Children's Health Insurance Program will be the subject of the cloture vote later this afternoon, and it is a very important issue. We have a lot of children in this country who do not have health insurance coverage. Ten years ago, we put together a piece of legislation called the Children's Health Insurance Program. It has worked. It has been very successful. Millions of children who otherwise would not have had health insurance coverage now have health insurance coverage.

The President, when he campaigned for office a couple of years ago, said he supported and wanted to expand the Children's Health Insurance Program to cover more children. The Congress, on a bipartisan basis, has now passed the Children's Health Insurance Program reauthorization that would provide additional coverage for nearly 4 million additional children in this country—3.8 million additional children, to be exact. The President vetoed it—this after he campaigned saying he supported expanding the program. In fact, not only did he veto the expansion of the program—that was done on a bipartisan basis in the Congress, and fully paid for, I might say—but he sent Congress a budget that left 21 States without enough money to continue to cover the existing kids in the program.

So this administration has it wrong. That is not just me saying it, it is a bipartisan group of Members of Congress who believe very strongly we need to do what is right to try to get health insurance to children. We should try to make sure every American has health insurance. That is very important. But it seems to me if you do not have legislation that does that, at least start with the children.

I have said before, I do not know what is in second or third or fourth place in most people's lives in terms of what is important, but I know what is in first place in the lives of most people. It is their children and their children's health. If this is not a priority, if it is not a priority at the White House—it passed the Senate with a wide margin, passed the House with a wide margin, but we did not have 67 percent of the votes in the House to override the veto—if it is not a priority at the White House, I ask what is a priority? If providing health care for an additional 3.8 million children is not a priority, what are the priorities at the White House? What is more important?

Once again, this may be unfamiliar territory to the President because this is a piece of legislation that is fully paid for, unlike much of what we get from the White House these days. I am going to talk about that in a bit. But before us here in Congress, the President has two requests. In addition to his regular budget, the President has said to us: I want another $196 billion for the purposes of continuing the war in Iraq and Afghanistan. And he said: I want the $196 billion declared an emergency. I do not propose we pay for it. I propose we put it all on top of the debt. That will take us to almost two-thirds of a trillion dollars the President has asked for—none of it paid for, all of it requested by the President as an emergency.

Contrast that, by the way, a $196 billion emergency request—none of it paid for—with a bipartisan group in the Congress that says: We believe the priority is our children. We propose to cover 3.8 million additional kids with health insurance coverage, and we fully pay for it. That is a very significant departure from what we hear at the White House these days.

Now the President gases up Air Force One, flies all over the country, and flew

down to Arkansas not many days ago and said: I am the fiscal policy President. I am going to get tough. I am vetoing bills. Interestingly, he did not veto a bill in the 6 years his party controlled both branches of Congress. He did not veto bills in the 6 years in which, in nearly every case, the appropriations coming out of the Congress exceeded his request or at least were dramatically changed from his request.

It is now, only in the shadows, the evening hours of his Presidency he decides he wants to be a fiscal policy President, tough on fiscal policy. The problem is, it is not so much what you say that matters, it is what you do that matters, and he has before us one more demonstration of the reckless fiscal policy we have seen now for some years, turning a very significant budget surplus, when he took office—and, yes, we had a budget surplus of about $240 billion in that year—turning that into a stream of fiscal policy budget deficits, adding $3 trillion to the Federal debt, and asking us, once again: Please give me another $196 billion above all the regular appropriations.

By the way, even as he asks for the additional $196 billion, he says we cannot afford providing insurance coverage for 3.8 million kids whom we fully pay for in a bipartisan bill.

I am telling you, I think the President is wrong. I admire the fact this is a bipartisan bill. We did it the right way. The President will have a second opportunity to have a bill on his desk. My hope is he will understand the good faith and goodwill of bipartisan Members of Congress who have the right priorities, saying our children come first and children's health insurance is very important.

INDIAN HEALTH CARE IMPROVEMENT ACT

Mr. President, that leads me to talk about a health insurance issue that includes the Children's Health Insurance Program but is much more than that. It is a bill that is going to come to the floor of the Senate soon, and thanks to the commitment by Senator REID, the majority leader, it is the reauthorization of the Indian Health Care Improvement Act.

It has been 8 years since Congress should have reauthorized the Indian Health Care Improvement Act—8 years—long past due, long past the time for us to have done this. The fact is, in this country we have 2 million of the first Americans—they were here greeting the folks who came to this country—American Indians, and many of them live in Third World conditions, and many of them experience health care rationing, which I think is a scandal.

It is not written much about these days, unfortunately. But there is a full-blown scandal, in my judgment, with respect to health care that is not available to American Indians—health care that was promised, health care that was committed, and health care that is our trust responsibility as a government to American Indians. We made that commitment, and we are not keeping it.

Indian children will benefit from children's health insurance as well. But also, Indian children live—and in some cases die—with the results of the Indian health care system.

This young lady shown in this picture is a 5-year-old beautiful young girl—sparkling eyes, with a beautiful dress, dancing in the traditional Indian dress—5 years old. Her grandmother, who testified at the Crow Indian Reservation, at a hearing I headed with Senator TESTER, held this picture up. Her name is Ta'shon Rain Littlelight—5 years old.

Ta'shon died. Her grandmother brought her photograph to the hearing and held it high. She talked about her granddaughter. She said Ta'shon lived the last 3 months of her life in unmedicated pain, and died of terminal cancer. She was taken and taken and taken again to the Indian Health Service, was diagnosed with depression, and treated for depression. Ultimately, it was discovered she had terminal cancer—not depression, terminal cancer.

She was flown to Billings, MT, and then to Denver, CO, and this young 5-year-old is gone. Her grandmother asks the question: Would better health care have saved her? Should she have been diagnosed in a different manner? I don't know the answer to that. I do know this: There are too many children like Ta'shon Rain Littlelight who do not have the same health care as others have, and Ta'shon lost her life.

It is not just this beautiful little girl. This is the photograph of a young girl whose photograph I have shown my colleagues before. Her name is Avis Littlewind. Avis Littlewind is also dead—14 years old. She took her own life. Her sister took her own life. Her father died at his own hand. She was in a fetal position in bed in her bedroom for 90 days at age 14, and somehow no one quite figured out this young lady desperately needed mental health treatment. So she took her life.

I went to that Indian reservation. I talked to the school officials. I talked to Avis Littlewind's classmates. I talked to the tribal officials to try to understand: How does a 14-year-old child fall through the cracks?

Well, there was not mental health treatment available in any significant way for this young child. The people who would get her health care would have to beg and borrow a car to drive her someplace. But she is gone. This young girl apparently felt hopeless and helpless and took her own life.

The question I ask with respect to the mental health treatment she should have gotten—with respect to so many other kinds of health care that should be available to American Indians—the question I ask is: When? When will they get the health treatment they deserve?

This is a picture of a woman from the Fort Berthold Indian Reservation. I have described her situation to my colleagues previously as well. Suspected of having a heart attack, she was put in an ambulance and driven to a hospital—the nearest hospital off the Indian reservation. Arriving at the hospital, as they were carrying her into the hospital, transferring her to a hospital gurney, they discovered at the hospital something taped to her thigh with an ordinary piece of tape.

Here, as shown on this chart, is what was taped to this woman's thigh, as she was taken into the hospital off of a gurney, suspected of having a heart attack. What they found taped to her thigh was a letter from the Department of Health and Human Services, and it described that this woman was not going to be eligible for contract health funding because they were out of money: So if you admit this woman to your hospital, understand, you are on your own. Financially, you are on your own. We are warning you.

That is what the letter taped to this woman's thigh said. That is health care today in modern America on Indian reservations.

Now let me describe why there is an urgency to pass Indian health care legislation, to reauthorize the Act that should have been reauthorized 8 years ago.

We spend twice as much money per person on health care for Federal prisoners incarcerated in our Federal prisons as we do for American Indians, and we have a responsibility, a trust responsibility, for health care for American Indians. This is not being generous. This is meeting a promise America made to Indians. This country made the promise over and over again that we would provide for their health care. But we have not met that promise.

If you take a look at what we spend per capita for American Indians, what you will discover is, we spend half as much per person for American Indians as we do for Federal prisoners. We have a responsibility for health care for those we incarcerate. I understand. If you stick someone in a Federal prison, you have to take care of them, provide for their health care.

Why do we spend twice as much for a Federal prisoner's health care as we did for Ta'shon Rain Littlelight's or Avis Littlewind's or, in per capita expenditures, we do for American Indians? We spend $6,700 a year, per capita, on Medicare expenditures, veterans, $4,600; Medicaid, $4,300; Federal prisoners, $3,200; Indian health program; $2,100 per capita. We have to do better than that. We have significant responsibilities, significant problems, and regrettably, full-scale health care rationing on many of America's Indian reservations, and I think it is a scandal and an outrage and we have to fix it.

Senator MURKOWSKI and I, as chairman and ranking member of the Indian Affairs Committee, have written in our committee a piece of legislation called the Indian Health Care Improvement Act. We are ready to bring that to the

floor of the Senate at last, at long last. Lives will be saved if we can pass this piece of legislation. Senator REID has given us a commitment that we will have this piece of legislation on the floor of the Senate, and when we do, I think it will be a day of some celebration for American Indians who have been promised health care and, regrettably, have not received the benefit of the promises that were made. I am not suggesting there aren't some talented men and women who work in the Indian health care system and who work in public health. I am not suggesting there aren't some very talented people out there. But I can tell horror stories that are almost unbelievable.

A woman goes to the doctor on an Indian reservation, and she has a knee that is unbelievably painful—bone on bone. It is the kind of knee that if it belonged to a Member of the Senate or one of the Senator's families, they would go and get a knee replacement. Bone on bone, unbelievably painful.

This woman is told: Wrap your knee in cabbage leaves for 4 days, and it will be fine. Well, that is not fine, and that is not medicine. That isn't what we should expect in terms of meeting our responsibilities in this country to the first Americans.

Again, I asked the grandmother of Ta'Shon Rain Littlelight if I could use her image, and I do so respectfully and I do so understanding the delicacy of it. But when the grandmother came to the hearing and held up the picture of this beautiful young girl with the sparkling eyes, and said: My granddaughter died, and here is how she died. In 3 months of unmedicated pain after her terminal cancer had not been diagnosed for months and months and months.

I think it is important for us to ask the question: Does this matter? Do we care? I hope the answer is yes, it does matter and, yes, this Congress does care and, yes, this Congress is going to meet its responsibility. I hope in the coming weeks that certainly will be the case, starting here in the Senate.

Mr. President, I yield the floor, and I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, how much time remains?

The PRESIDING OFFICER. There is 13 minutes remaining.

FISCAL POLICY

Mr. DORGAN. Mr. President, I wanted to speak about the subject I referenced briefly, and that is fiscal policy and this President. It gives me no joy to come and be critical of the President's fiscal policy. But it should give the American people no joy either to understand the consequences of a fiscal policy that turned very large budget surpluses, which took us a long time to begin to see, into very long-term Federal budget deficits and three trillion dollars of additional debt. That is a reckless fiscal policy and one that has to be fixed.

When he recently asked the Congress for an additional $196 billion—none of it paid for, all emergency—the President said: Now we will see whether the Congress supports the troops. Well, the fact is, not all that money goes to the troops in Iraq and Afghanistan. A substantial portion of that money goes to contractors.

I wanted to go through with my colleagues some examples of what we are finding with respect to the spending of taxpayers' money for contractors. I believe I have held 17 hearings over the recent 4 years as chairman of the Policy Committee on these issues.

Let me put up a couple of charts to describe where we are headed.

This is a Congressional Budget Office estimate of October of this year. The U.S. wars in Iraq and Afghanistan could cost taxpayers a total of $2.4 trillion by 2017 when you count the very large interest costs because this is being financed with borrowed money. Again, a President who says he is a conservative borrowing all of this money, insisting it be borrowed and not paid for, and we end up in this country paying a fortune for the war costs.

So the question is, is this money for the troops? Well, let me describe what we have. Last month, military officials said contracts worth $6 billion to provide essential supplies to American troops in Kuwait, Iraq, and Afghanistan—including food, water, and shelter—were under review by criminal investigators. In addition, $88 billion in contracts and programs, including those for body armor for soldiers and material for Iraqi and Afghan security forces, are being audited for financial irregularities.

Think of that: $88 billion; $6 billion under criminal investigation; $88 billion, financial irregularities by these contractors.

Once again, under this President, last month the Army reported that it had 78 cases of fraud and corruption under investigation, had obtained 20 criminal indictments, and had uncovered over $15 million in bribes.

Another $196 billion, while those who prance around this money have a field day. It doesn't seem like conservatism to me.

Again, in August, 2 months ago, the New York Times reported:

> The enormous expenditures of American and Iraqi money on the Iraq reconstruction program, at least $40 billion over all, have been criticized for reasons that go well beyond the corruption cases that have been uncovered so far. Weak oversight, poor planning, and endless security problems have contributed to many of the program failures.

So we ante up money from the United States Congress—billions and billions of dollars. We are going to provide health care clinics for the Iraqis. We are going to build 142 health care clinics. We hire the contractor. The money is gone, but the clinics aren't there. An Iraqi doctor—a very courageous Iraqi doctor—testified at one of my hearings. He said: I went to the Health Minister in Iraq and said: You know, we had these contracts with an American contracting company that was going to do these 142 health care clinics in Iraq. I would like to visit them. The Iraqi Health Minister said to this physician: You don't understand. Most of those are imaginary clinics.

Well, the American taxpayer got fleeced. The money is gone. The contractor got the money. The clinics don't exist.

We can't even keep track of the guns that are being sent to Iraq. We sent Iraq 185,000 AK–47s, and at this point we know where 75,000 of them are; 110,000 are gone and unaccounted for. We sent them 170,000 pistols, 90,000 of them we can't account for. Are some of these AK–47s and pistols being aimed at American troops? Of course they are. How is it that we fund with American taxpayers' money the shipment of massive quantities of weapons to Iraq and don't keep track of where they are? Again, there are 110,000 AK–47s, we don't know where they are, and 80,000 pistols, we don't know where they are. This is almost staggering incompetence, in my judgment.

Saddam Hussein is dead. He was hanged by the neck. The Iraqi people no longer have Saddam Hussein in their lives. The Iraqi people voted for their own new constitution, and they voted for a new government. All that is left for the Iraqi people is to provide for their own security. The question is, when will the Iraqi people demonstrate the will to provide for their own security?

We have trained 360,000 Iraqis in the interior forces and defense forces, soldiers and police men and women—360,000 have been trained, and they can't provide for their own defense, for their own security. Is there not a will in this country in which Saddam Hussein is gone, a new constitution, a new government exists, and they have 360,000 people trained, and that training was paid for by this country—is there not a will, then, to provide for security? If they can't, we can't. We are not going to provide security in Iraq for the next 5 or 10 years. We should not be going door to door in Baghdad in the middle of a civil war with U.S. soldiers.

But it seems to me we should reasonably ask the question: If we have trained 360,000 for security in Iraq, and they can't provide for their own security, where are they? We are now told that up to 50 percent of those we have trained are probably not on the job anymore. We don't know where they are.

I also just saw information a couple of days ago that the number of people

we are training has dropped by two-thirds. I mean, everyone talks about—including the President—the way out of Iraq is to train the Iraqis for their own security. We have trained a third of a million of them and now we have reduced the amount of training by two-thirds and now we have a surge of American soldiers going door to door in Baghdad in the middle of a civil war. I am just saying I don't think that adds up in the context of what this administration is asking of this Congress.

Between April 2003 and June of 2004, $12 billion in U.S. currency, much of it in one-hundred-dollar bills, was dispersed by the Coalition Provisional Authority. That is us. We airlifted billions of dollars in C–130s. Some of it was shoveled out the back of pickup trucks in Baghdad. You think that doesn't attract flies and people who want to cheat and steal? It does. What happened? About $9 billion has gone missing, unaccounted for, in a frenzy of mismanagement and greed, it is said.

ADM David Oliver, who was a senior official of the Coalition Provisional Authority was asked by a reporter about what happened to the cash that was airlifted to Baghdad. Our official said:

> I have no idea. I can't tell you whether the money went to the right things or didn't. Nor do I actually think it's important.

Oh, really? You don't think it is important whether billions of dollars was used for the proper purpose?

An independent oversight agency reported this month that it could not complete an audit of a $1.2 billion contract to train Iraqi police because records kept by the State Department and by DynCorps International, the contractor, were inaccurate and in disarray, documents not sufficient to do any kind of an audit.

The State Department paid $43.8 million for manufacturing and temporary storage of a residential camp that has never been used. They paid $36.4 million for weapons and equipment, including body armor, armored vehicles, and communications equipment that couldn't be accounted for.

Among the problems identified before an audit—this is a New York Times story of this month—were duplicate payments, the purchase of a never-used $1.8 million x-ray scanner, and payments of $387,000 to house DynCorps officials in hotels rather than other available accommodations.

My colleagues get my point. I could show 100 charts which would all show in my judgment massive, staggering incompetence and lack of oversight of these contracts.

The President says: I want $196 billion in emergency funding, none of it paid for, and by the way, if you don't support that, you are not supporting the troops. Well, a substantial amount of this money is supporting contractors, not troops, and there is substantial evidence that there is dramatic waste, fraud, and abuse of these contracts, and no one seems to care. No one seems to be watching the store. That goes for the Defense Department, the Secretary of State, and many others, including the White House.

Finally, when we vote on the issue of whether we should provide additional emergency funding for the President, and yes, for the troops, and also for these contractors, I am going to suggest something very different. Some things are habit forming, and one of them, it seems to me, is to ask the Congress to increase spending substantially and not pay for it. This President has done this now to the tune of two-thirds of $1 trillion for the war in Iraq and Afghanistan.

Aside from the fact that I think it is wrong because it doesn't have the country going to war with the soldiers—it seems to me if you send soldiers to war, you also ought to ask the country to be with those soldiers, not just with their thoughts and prayers but also to pay for the cost, rather than charge it to some future generation and have the soldiers fight the battle, and then come back to our country and pay the bills for those battles.

So I have said to my colleagues, and I would say to the President, when we consider this issue of additional funding, I am going to offer this time some ways to pay for a portion of it, and I am going to give some examples. I have used many of these before, but this time, we will have a chance to vote on them. Maybe I will win, maybe I will lose, I don't know. But it seems to me we ought to do some things that are thoughtful and patriotic, even as we decide that we are going to provide support to our troops.

Let me give an example.

Let me give you an example. I have used this many times. This is a five-story white building in the Cayman Islands. A very enterprising reporter from Bloomberg named David Evans went to that building. It is on Church Street. That five-story white building is home to 12,748 corporations. They are not actually there, of course; it is legal fiction that was created by smart lawyers to give corporations an address in the Cayman Islands so they can avoid paying U.S. taxes. I have legislation that says it doesn't matter if you are living in this building, you are not going to be able to avoid taxes by doing that; if your operations are not there, you cannot attempt to ''move'' your operations there to avoid paying U.S. taxes. I will attempt to close that.

This is one of the most egregious. Wachovia Bank in the United States is one of the most prominent companies to do this. They purchased a sewage system in Bochum, Germany. It is not because they have a special interest in sewage systems. They don't want a sewage system. They bought it and immediately leased it back to the German city, which never lost it, and the Wachovia Bank never got it. They just had a financial transaction that gave an American bank a $175 million tax writeoff for the sham of buying a sewer system in Germany.

Mr. President, only a portion of this practice has been shut down. I will give my colleagues a chance to shut that down and also raise revenue to begin to pay for some of the costs of the war as well.

This one is a streetcar in Dortmund, Germany. We had First Union Bank lease streetcars there—not for the purpose of running a streetcar system; they wanted to avoid paying U.S. taxes. That is a scandal.

I will also offer a piece of legislation that will shut down the tax scam that says if you fire your workers, close your plant, and move your jobs overseas, as Huffy Bicycles did, we will give you a tax cut. It is unbelievable that we provide that tax cut in this country. If you get rid of your American workers, shut down your plant, move overseas, and then ship the product back here, you get a tax deferral. Huffy is now a Chinese bike company. All the workers in Ohio got fired, and the American tax system gave a reward to this company for moving to China.

We have had a chance—four times—to vote on this, and a majority in the Senate supported that tax break. One of these days, it will get closed. We will vote on that in the context of paying for some of the costs the President is asking us to pay for.

Finally, just two more.

This is, as you know, a picture of the dancing grapes from Fruit of the Loom. We have seen the television commercials. I don't know why someone would dress up as a grape and dance, but they made an imprint for Fruit of the Loom underwear before they left America. I assume they are still dancing, but I assume those who lost their jobs when Fruit of the Loom went to Mexico and other countries are not dancing. It is not that people stopped wearing underwear, but they are not making them in the United States.

Finally, the little red wagon—Radio Flyer, a Chicago company for over a century—is now made in China. It was for the same purpose: tax cuts and low wages in China. I am going to close that loophole with respect to the description I have just given of moving your company to China and getting a tax cut.

The point is, the President wants $196 billion in emergency funding. I don't know whether the Congress will do that. When the President asks for funding in the future, saying he wants to charge this, leave office, and then somebody else can pay the bill, we in Congress ought to say that there are easy baby steps to at least begin raising some funding. I have named three of them. We can stop American companies from benefitting from buying sewage systems or streetcars in other countries, stop paying an incentive for people to move American jobs overseas, and stop allowing companies to set up sham offices on Church Street in the Cayman Islands to avoid paying U.S. taxes.

It doesn't take a giant step or a lot of courage to decide to shut down those tax scams and those wrongheaded, perverse economic incentives. Doing that will raise money and allow us to offset some of these war costs. And I hope that perhaps—I know better than to say this. I was going to say that perhaps the President will support this. But this administration opposes most of the proposals I have described that would raise funding by shutting down some of these terrible loopholes.

This issue of if the President asks the Congress for $196 billion—which he has now done in emergency money, with none of it paid for, and says: Now we will see whether the Congress supports the troops, I want my colleagues to understand that a substantial portion of this money is not going to troops, but it is going to contractors. I think this is the most substantial waste, fraud, and abuse that has existed in the history of this country, with respect to what is going on with the contractors. That is something we should be considering or a portion of what we should consider as well as we react to the President's proposal. Who is minding the store? Who is providing real oversight? Why have we allowed this to happen? Those represent the hard questions I believe Congress has a responsibility to ask.

We all want the right thing for this country. I think we all want to be able to extract ourselves from a war in the Middle East, to be successful in the fight against terrorism, to expand opportunities with an economy that provides jobs and expand the middle class in this country. We all want to fix the health care system and provide solutions to our energy needs so that we are not so unbelievably dependent on foreign sources of energy. We all want that. I hope in the coming weeks, particularly as we end this year, we can find ways to decide to work together. There ought to be common purpose and a common set of goals for us to advance the interests of this country.

Mr. President, I yield the floor and suggest the absence of a quorum and ask unanimous consent that the time be equally charged to both sides.

The PRESIDING OFFICER (Mr. CARDIN). Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair advises the Senator—no one else is on the floor—the majority has 24 minutes remaining. Senator KENNEDY had reserved 30 minutes.

Mr. DURBIN. Mr. President, I ask unanimous consent to be recognized for 10 minutes to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRESSIONAL APPROVAL RATINGS

Mr. DURBIN. Mr. President, there are reports in the newspaper about the approval ratings of politicians and political institutions. Certainly, the President has had some problems, has had better days. His numbers are low. The numbers for Congress, in many respects, as an institution, are even lower.

Those of us who serve in the Congress are asked from time to time: What does this all mean? Why are the American people so critical of Congress, and what is it doing?

I think it reflects several points. First, the last election, which changed control of Congress from Republicans to Democrats, many people believed would be a watershed, a real change in direction. They have looked and haven't seen it, particularly when it comes to the war in Iraq. Despite our best efforts in the Democratic majority in the Senate, with only 51 out of 100 Members, we sent the President an opportunity to change the direction of his policy and start bringing American troops home. The President used his power in the Constitution to veto that legislation.

We tried over and over, with all-night sessions, long debates, a variety of amendments and have not been able to break through and come up with a solid enough, strong enough bipartisan majority to change the policies in Iraq.

It is frustrating—frustrating, I am sure, to the American people, frustrating to us in Congress, for some who voted against the war and now believe this war has no end in sight and should be ended soon in a responsible way.

I think that is an indication of one of the reasons why the disapproval numbers for Congress are what they are today.

We tried, however, when it comes to our budget and spending in the Congress, to focus resources on the needs of America. We have a chance to do that. But, unfortunately, we face another veto threat from President Bush.

Our budget that we passed includes a lot of spending that will make a big difference—more Border Patrol agents to protect America, explosives detection machines in airports, research into cancer, diabetes, heart disease, other major killers of Americans, a much stronger food safety inspection system, an issue near and dear to me, energy efficiency and renewable energy projects and tax cuts for middle-class families.

The total difference between our spending and what the President requested is $22 billion out of a national budget that borders on passing a trillion, depending on how one counts. That is eight-tenths of 1 percent of the Federal budget, the difference between the President's request and what we are appropriating. That is less than we spend in 2 months on the war in Iraq. The money we want to spend in America is less than 2 months of the war in Iraq. It is less than half of what the President wants to spend next year for tax breaks for the wealthiest Americans.

We have passed a lot of appropriations bills to meet long-needed, long-neglected wants of middle-class and working families. Unfortunately, the President's priorities are different. There is no clearer contrast in our priorities and the President's priorities than the issue of children's health insurance.

Senator KENNEDY has come to the floor, and I am going to yield to him in a moment. He has been a national leader, certainly a Senate leader when it comes to the issue of children's health insurance. Think about this: A great and good and prosperous Nation, America, with 300 million people, has 15 million people without health insurance.

Ten years ago, we said: Let's move forward and do something about it. A Republican Congress passed the Children's Health Insurance Program, and we managed to find coverage for 6.6 million of those kids. Now with a Democratic Congress, we want to continue the program and expand it to cover more children. So we set a goal of 10 million children. That still leaves 5 million uninsured. But 10 million would be insured over the next 5 years. The cost? An additional $35 billion. The way we pay for it is direct: an increase in the Federal tobacco tax with proceeds going to insure children.

We believe this is sensible, keeping in mind the kids we are talking about are not the poorest kids in America. The poorest kids in America are covered by Medicaid. They get help, and I am glad they do. It says something good about our Nation. The kids who are well off, with parents in jobs that have health insurance, have no concern. How about those kids right in the middle? Mom and Dad go to work every single day and don't have the benefit of health insurance. They may make minimum wage or a little better. They don't have any benefits and the kids have no protection.

A child without health insurance is less likely to have a regular doctor, regular checkups, regular immunizations, and less likely to have detected in their early lives medical problems which, if left untreated, become very serious and very expensive.

We wanted to help those kids. So we put a bill together with the support of 18 Republican Senators, all 51 Democrats. We had 69 Senators committed to it. We sent it to the President, and he vetoed it. He said it was socialized medicine. I am not sure what that term means today. Forty years ago, it was the suggestion of too much Government.

What the President doesn't tell us, and should, is this program is not about a government health insurance program. Overwhelmingly, the health insurance for these kids will be provided by private companies that will receive some subsidies, some incentive from the Government to provide this

care with the State governments. So it is not socialism, if that is the President's concern.

Secondly, he worried about whether it is fiscally responsible. We pay for it. The President and his war of $169 billion a year is unpaid for. He heaps it on our children and their children by adding to the national debt. We pay for this program.

Finally, this notion that somehow we are going to discourage private insurance for these kids, if the private insurance market was so anxious to cover these kids, they would have been there long ago. These kids have gone months and years without coverage. Now is the time to change it.

The President used his veto pen four times since he was elected 7 years ago—once to veto a change in the war in Iraq, two other times to veto bipartisan-passed stem cell research, and now in vetoing the Children's Health Insurance Program.

Senator REID, the majority leader, came to the floor yesterday and said: We will give you a little more time to work out our differences with the Republicans, we will have an effort at compromise. They objected to being given a little more time to work this out.

We have tried. We have had good bipartisan support for this bill. We want to bring it across the line. We want to pass a bill either the President will sign or we override his veto, and we are trying to do that.

In closing, because I see Senator KENNEDY is here and prepared to speak, it will not be long now, maybe a matter of days, before this President asks for $196 billion for the war in Iraq. Some of us who voted against it are troubled that we continue to see the cost of this war go up in human terms, with almost 3,900 Americans killed, with tens of thousands injured, and who knows how many innocent Iraqis lost their lives, and the war continues to go on.

The good news from Iraq? Oh, they like to tell us the administration has all sorts of good news. The good news is the death rate is down. We have seen ethnic cleansing in neighborhoods and now the vacant neighborhoods where 4 million Iraqis have become refugees. These empty neighborhoods don't have as much fighting. Is that a victory? I am not sure it is.

We need to be more honest with the American people. If the President believes he can ask with a straight face for $196 billion for the war in Iraq, if he can ask for that kind of money to help the people of Iraq, he ought to step back and sign a bill that helps the children of America.

A strong America begins at home. It begins with strong American citizens, strong families, strong neighborhoods, strong communities, and a strong Nation. The President can move us in that direction.

I hope my colleagues in the Senate this week will join us. Let's pass this Children's Health Insurance Program. Let's send it back to the President. Let's hope, as he considers $196 billion unpaid for his war in Iraq, he can find $35 billion paid for the children of America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts. The Chair advises the Senator that 15½ minutes remain.

Mr. KENNEDY. I ask if the Chair will let me know when there is 2 minutes remaining.

Mr. President, I wish to first of all thank our friend and colleague from Illinois, Senator DURBIN, for again making an excellent statement about the Nation's priorities, the priorities we have before us in terms of making a judgment about the Children's Health Insurance Program. He has spoken frequently, eloquently, and passionately about the issue. He and I are hopeful that across the country Americans are able to take a few minutes and really absorb the arguments that are made in the case that is before the Senate and also understand the judgments many of us have made on this side of the aisle—virtually all of us on this side of the aisle, and some very courageous Republicans—about what our responsibilities should be to the future of our country. It is a future that expects, that demands, and that requires us to give attention and assistance, when we can, to our children. This is the right thing to do not only from a health point of view, as has been pointed out so many times, but it also is imperative in terms of getting a handle on health care costs in the future by having a healthier generation, and, importantly, it is imperative as we are looking to the education of this generation.

We have made the case time and time again, and we are making different points this afternoon, but the fact is if a child can't see the blackboard or hear the teacher or is unable to read the assignment because they are in need of glasses, that child is not going to be able to learn, that child has a better chance of dropping out, and that child has a better chance of living a life that is not constructive, productive, or useful in so many ways. So this case has been made time and again, and it is important.

We hope, those of us who are supporting this legislation, that we will be able to garner the votes that are essential to getting this legislation into law. So I thank those who have spoken and spoken so well on this issue.

Mr. President, as I and others have mentioned, this is really an issue of priorities. Nothing points out the issue of priorities more clearly than the choice we have between investing in our children—Americas's children here at home, the sons and daughters of working families—and investing in the war in Iraq. This point is made frequently but can never be made enough: 41 days of conflict in Iraq at $12 billion is 10 million children who could be insured for virtually 1 year. That points to the difference in the choice. On the one hand, we have a President and administration that virtually gives openendedness to the number of days we are going to continue to be in Iraq. Yet, when it comes to the question of these 10 million children for the year, he says: Absolutely no. There is no way. We will not permit it, we will not accept it, and we will veto any proposal that comes our way that recommends and suggests it.

The administration is quick to highlight their achievements on health care for children in Iraq, but they won't show the same commitment to the health of our own children. In Iraq, American money has renovated 52 primary care clinics and re-equipped 600 others, but in America, children are denied essential medical services in the name of fiscal discipline; in Iraq, we have provided 30 million doses of children's vaccines, but in America we are told we cannot afford basic preventive care for 10 million children.

The Web site of the U.S. Agency for International Development proudly notes the remarkable accomplishment—and I commend them for it—that they have successfully vaccinated 98 percent of all Iraqi children against measles, mumps, and rubella. If only we could do as much. If only we could do as much for our own children. According to the Centers for Disease Control, only 91 percent of American children have received the same vaccine by the recommended age. The administration should be as concerned that children growing up in Boston or Birmingham get their recommended vaccines as they are about the children in Baghdad and Basra.

The same Web site proudly notes that the USAID has improved the health of vulnerable populations in Iraq by increasing access to high-quality, community-based primary health care. That is just what we are trying to do in America with this bill. In Iraq, it is an accomplishment; in America, it is a veto.

A bipartisan majority in Congress has made a judgment too. Our judgment is that we must make room for decent health care for America's children. We must stand up to the empty rhetoric and hollow slogans of the White House and give all children in America the healthy start in life they deserve. We need to know who is for working families across America and who will stand in their way to getting quality, affordable health care.

We need to know who is for families such as the Vega family in Greenfield, MA. CHIP helps Flora Vega, a working mother, buy an extra inhaler for her 5-year-old daughter so she can have one at school and the other at home. CHIP also helped her afford a nebulizer—the small, portable device that pumps the asthma medicine into her lungs when an inhaler isn't effective. That means her daughter doesn't face sudden dangerous attacks of asthma that require her to go to an emergency room.

We need to know who is for families such as the Lewis family in Springfield, MA. I met Dedra Lewis and her daughter, Alexsiana, when they came to talk about the difference CHIP has made in their lives. Alexsiana has a rare eye disease that requires expensive drops every hour of each day. To take care of her daughter, Dedra had to cut back on her hours at work and lost her insurance. Without CHIP, she would be choosing between paying the mortgage for their home and paying for the medicine the child needs to keep her vision.

Family after family, from coast to coast, can tell similar stories. That is why families across America are calling on Congress to renew the promise of CHIP. The task has not been easy, but we will not be deterred or deflected. When Medicare was first proposed in the 1960s to allow the Nation's senior citizens to live their retirement years in dignity, its supporters were attacked with much the same harsh rhetoric as we hear about CHIP—it is socialized medicine, it is a Government takeover. But Congress rejected that absurd rhetoric, and hundreds of millions of senior citizens have benefited immensely ever since. America's families face real challenges—higher mortgages, soaring gas prices, the ever-increasing cost of health care, and many other burdens. They deserve real solutions, but the White House offers only hollow slogans.

Our opponents failed to stop Medicare, and they won't stop CHIP now. Medicare didn't pass on the first attempt, but its supporters came back again and again with the force of the American people behind them to ask—to demand—that Congress act. And the 1964 election made it all possible. That is just what we will do with CHIP, even if it takes the 2008 election to do it. We will keep at it until the children of America get the health care they need and deserve and that the American people are demanding.

As we have pointed out, at the time we saw this legislation developed, when it was initially proposed, it was a compromise between Republicans and Democrats. Those of us who wanted to give attention to the uninsured sons and daughters of working families recognized that we had a unique situation in America: We had resources as a result of the tobacco settlement, which provided hundreds of billions of dollars as a bonus to America, and we could decide how we were going to expend those resources. I saw in my own State of Massachusetts, the determination to use those resources to provide a health insurance program for the sons and daughters of working families.

That was a very important model that was replicated here over 10 years ago in the Senate, where we used much of the resources that were allocated to us to be able to develop the Children's Health Insurance Program. There were Republicans on that side who said: Look, we don't want to just extend Medicaid; we want a separate program that will be resolved in the States. There were those of us on this side saying: Medicaid provides very good health assistance for children; the preventive programs are model programs, and they do an enormous amount in providing quality health care for children in a wide variety of areas and functions. No, our Republicans said, we want the States to be able to develop those; we will take guidelines, but we will let the States do it. A compromise was reached between Republicans and Democrats, and that was acceptable.

Secondly, it was determined that the States would have the ability to make judgments and decisions about deductibles and copays. We said: No, we want a standard way to make sure all working families are going to be able to acquire it. But, no, we worked out that program, and again it was a compromise. It was a judgment and decision of the sponsors of that legislation that we were going to use the private insurance companies—private insurance companies—to make sure of the delivery system. Many of us thought it would take a long time to get this program up if we went that route, but nonetheless it was a compromise. It was a compromise. Democrats and Republicans came together in this compromise program. Very important compromises were made at that time. It reflected the best judgment of the Members of the Senate and the House of Representatives, and that legislation has been an extraordinary success.

The area where it has not been successful is that we have not reached all the children out there who are eligible and should be able to receive it. If we are looking for legislation that really reflects the best of Republicans and Democrats, if we are looking for legislation that basically reflects the best in terms of our priorities, this is that legislation, and now is the time to move ahead.

We have a budget of $2.9 trillion. The question is, Can we afford—can we afford—the few billion dollars to provide the type of health coverage in this legislation? We are not even taking the resources from the existing budget. We are saying: What is going to be the result of that, by increasing the cost per package, the 61 cents? The result of that is going to be more children are going to stop smoking. That is the result.

If you take the increase in the cost of a pack of cigarettes, we have the real opportunity to see a very important public health achievement—discouraging children, the 3,000 children who start smoking every single day, the thousand who become effectively addicted from their earliest contacts with it. We discourage them from moving down that pathway. So this is a positive health development both in terms of the resources and in terms of the outcome. Unique. Unique.

Just to finalize here, we are enacting new legislation—those of us who believe in it—to address some of the real challenges and make this a fairer and more equitable country. We have the example of the existing program in place now. It works. It works. It is successful. Parents need it, and parents want it. The only issue—the only issue, the only issue—is whether we have the willingness and the will to implement it and to make it achievable for families in this country. We are talking about those working families, those mothers who hear a sick child cry in the night and wonder whether that child is $423 sick, because that is the average cost of going to the emergency room; those families who pray their child, who has an earache or a throat ache, will be better in the morning. How do you put a cost on that? How do you put a cost on that? Well, we recognize that as a real value, and we are not prepared to let parents make that kind of judgment call and feel that kind of pain and that kind of fear and that kind of anguish.

This legislation does the job, and it is important that we get a strong, overwhelming vote this afternoon that really reflects the good judgment of the American people, who say children should be first in this Nation. That has been a founding value of our Nation since the Pilgrims settled up in my part of the country, and I believe it is a value that is shared today. We will have an opportunity to vote on this in a short time. Hopefully, it will be accepted overwhelmingly in the Senate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, what is the parliamentary situation in which the Senate finds itself at this moment?

The PRESIDING OFFICER. The time of the majority has expired. The Republicans have 59½ minutes.

Mr. MENENDEZ. Mr. President, I ask unanimous consent to speak for 10 minutes. Should a Member of the Republican side of the aisle seek the floor, I will be happy to yield at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Jersey is recognized.

Mr. MENENDEZ. Mr. President, I wish to talk about the reauthorization of the Children's Health Insurance Program and why those who are opposing the bill are making this a nightmare for children. When I first came to the floor in support of the bill on July 31, I knew there were those who did not share my support, but I thought they would merely be a road bump to reauthorization. Now it seems we have a roadblock to children getting critical care they need.

How many times can you veto or vote against children receiving health care and not raise a question as to your role as a representative of the people? How many times can you veto or vote against children receiving health care and then turn around and take pictures with babies and families back in your

home State? How many times can you veto or vote against children receiving health care and then still argue that you care about the well-being of children other than your own?

I don't understand how we have gotten to this point, but let me make this very simple. The bill at its core provides health care for poor children. Yet there are those in Congress and the White House who are missing that bottom line. More important, their votes are hurting our Nation's children.

There are 9 million children in America who suffer in silence because they do not have health care; 6 million of them are eligible for the Children's Health Insurance Program or Medicaid, but they are not enrolled.

That keeps me up at night. I hope it keeps up at night others who have to cast a vote soon as well.

I want to be sure we know the families and children we are talking about. The families we seek to cover work every day at some of the toughest jobs in America—some of them jobs none of us would want to do, but they work at it every day. They work at jobs that offer no health care coverage whatsoever and they do not make enough money from their employment to afford private coverage. It is the children in these families we are trying to cover. So let's talk about the reasons why there are those who continue to vote to bar children from health care.

That is strong language, but I have had enough of sugar-coating this issue. The new bill includes substantial revisions to try to reach out to colleagues who have raised issues and directly addresses a number of the concerns they have talked about. According to the Congressional Budget Office, the new bill would continue to cover nearly 4 million uninsured children by 2012, at a cost of about $35 billion over 5 years. That is a fraction of what we spend in Iraq. That is in addition to the over 6 million children already covered by this program.

Those opposed to this bill have been shouting about how the bill needs to cover more low-income children. Good news, the new bill would further increase our focus on covering the lowest income uninsured children. The new bill would prohibit any coverage above 300 percent of the poverty line, except for some who have already been grandfathered in. Limiting new coverage to 300 percent is a harder line than the original bill, and it is a concrete ceiling for new coverage. It also changes the financial incentives States receive to enroll more children, and it ensured we are targeting the enrollment of low-income children.

The new bill only provides these incentives to States when they enroll Medicaid-eligible children and no longer includes incentives for enrolling SCHIP children, as was in the original bill.

In fact, this new bill will cover an additional 100,000 children as compared to the original bill, for a grand total of 3.9 million children gaining coverage under the bill on which we will be voting cloture. Of these children, essentially half are Medicaid eligible. These children are the low-income children many of our colleagues are talking about. This new bill brings in 200,000 more Medicaid-eligible children than the first bill.

We have listened and we have made changes. But compromising on children's health can only go so far. The second issue I have heard, and it makes my blood boil, is the argument that undocumented immigrants would gain coverage under this bill. I know it is Halloween so we are going to scare the American people as best we can, but this is a tactic that cannot stand. Let's make it clear: Undocumented immigrants are not eligible for Medicaid and CHIP, they have never been, and nothing in this bill changes that. Nothing in this bill changes that. It is a shame there are Members who still come on the floor using that argument.

In fact, the new bill tightens citizenship requirements. States will seek to verify names and Social Security numbers but also have to verify citizenship with information from the Social Security Administration. The Social Security Administration will check the information received from the States to determine that the information matches and also check to see if the database shows that the applicant is a citizen. If they can confirm—great. We have another citizen with health care. If not, the State has to require original documents to prove citizenship. This is in no way an open door, and in no way should we allow this to continue to be used as a false reason to not give health care to children in this country.

I ask my colleagues to stop tying up this issue, trying to make children's health care an immigration debate so we can have it every night on the nightly news being about immigration. Oh, it is about immigration. It is not about immigration. It is about children's health care; children who do not have it, cannot afford it, and will not have it unless this Congress acts.

Some have also raised the question about adults. The reality is we cover some parents. This administration gave us waivers to do it because they said it is a good thing: Let's cover parents who are also in these jobs, working hard, not able to afford health care, not getting it at work—because we are getting more children involved through their parents. By the way, we happen to cover more Americans—isn't that a terrible thing? We happen to cover more Americans, of the 47 million who have no health care coverage whatsoever. It is a terrible thing.

I think it is quite a good thing. I have seen it succeed in my home State of New Jersey. We have found a strong correlation between enrollment of parents and enrollment of children.

Finally, if values match our actions, this bill needs to be supported by all Members in the House and Senate and signed into law by the president. It is time for President Bush to stop making his fiscal conservative bones on the health care of children. It is time for the President to put away the veto pen and allow doctors to take out their stethoscopes to make our children healthier. It is time to give the children of America what the President and every Member of the Senate and Congress has, health care coverage, health care for America's most precious asset but also its most vulnerable asset—our children.

I yield the floor.

The PRESIDING OFFICER (Mr. SANDERS). The Senator from Oklahoma is recognized.

Mr. COBURN. Mr. President, I wish to spend a few minutes of time speaking about the ''revised'' SCHIP bill and what it means to the American people. The rhetoric associated with the bill is that we want to cover children. That is a laudable goal. But that is not what this bill is about. If that were what this bill is about, what we would be doing is having a bill on the floor that expands the current payments of $5 billion a year to $7 billion a year, which is what is required by the CBO to truly cover the kids whose parents make $41,000 a year or less. That is not what this bill is about.

The bill is about having the American taxpayers, and especially the poor American taxpayers, pay $133 billion over the next 10 years to cover families presently with insurance.

What does the Congressional Budget Office say about this bill? First of all, it spends $400,000 more than the bill the President vetoed; it covers 500,000 fewer kids. It still maintains that 10 percent of the people in 2012 on SCHIP will be adults. It gives exemptions for the State of New Jersey—a family of five earning $89,00 a year, they will still be covered. It creates loopholes where rural hospitals get paid the same as metropolitan hospitals, as a favor or an ''earmark'' to certain Members of Congress.

What it does not do is solve the problem. What is going on here? There is not anybody in America who does not think we corporately should be helping poor children with their health care. But this isn't a bill about helping poor children with their health care; otherwise, we would not be taking 1.2 million middle-income kids and putting them on SCHIP, at the same time the only increase we see on the poor kids, families making under $40,000, is $800,000. So what is going on? What is going on is this is a political campaign. It is a political campaign that, under the guise of helping children, what we want to do is start the march toward single-payer, government-run health care. That is OK if you believe that and you want to put that out. But this idea of, we are going to wink and nod to the American public under the name of poor children when, in fact, this bill will cover not poor children and 10 percent of the people covered will be

adults 5 years from now and we are going to take kids off their parents' insurance.

One of the things people will not talk about is in 35 States, the SCHIP program is Medicaid. Of those 35 States, over 50 percent of the doctors will not see a Medicaid child. Why is that? Because Medicaid will not pay a rate at which the doctor can pay their overhead and still see the child. So what we are going to do is we are going to take the parents' right away to choose the doctor they want for their kids, and we are not going to lower their insurance premium at all by taking the kids off—the ones who have insurance, the 1.2 million who the CBO says will come off private insurance—and then we are going to take away the parents' right to pick the doctor to care for their kid.

What this is, is moving to single-payer, government-run health care. What I would say is, if that is what we want to do, let's call it that. But that is not what we are calling this. We are claiming we want to help poor children.

President Bush got it right. Before we expand to families of $60,000 or $80,000 a year who have insurance and put them on a Government program, shouldn't we make sure the program we have now has enough money to cover the kids whose families make under $41,000 a year? And shouldn't we make sure that, when we say we are giving you coverage, we are giving you coverage?

The other thing we ought to ask is: Why aren't the American people going to get value out of this? The cost in this program, to buy $2,300 worth of insurance—and that is the highest level at which the average kids cost, the average is probably around $1,700—why would we be spending $4,000 in this bill to buy $2,300 worth of insurance? The American people have to look at that and say: What is wrong with this picture?

The other side of it is we are going to get all the money, we say, by taxing tobacco. Who pays tobacco taxes? Who are the majority of people in this country who pay tobacco taxes? I will tell you who they are, they are disproportionately poor. They are disproportionately the disadvantaged. They are disproportionately those people who can least afford to pay a tax. So it is no wonder the CBO, in this evaluation of this program, said: This is the most regressive tax we have seen in years. It is going to hurt the very people we say we want to cover. Does the Senator have a question?

Mrs. MCCASKILL. Will the Senator yield for a couple of questions?

Mr. COBURN. Absolutely.

Mrs. MCCASKILL. You know, the Senator from Oklahoma and I agree about an awful lot when it comes to fiscal discipline, but I am having a little trouble. I am hoping he can help me with this problem I am having. I am willing to bet the Senator from Oklahoma may have been one of the Senators who said no to Medicare Part D. I am guessing. I would have to check the vote.

Mr. COBURN. I wasn't in the Senate or the Congress.

Mrs. MCCASKILL. I forget the Senator is a newcomer. I would be curious. This is where I don't understand the Senator's concerns about political gamesmanship and trying to make this about the children, and so forth.

On the other hand, I am trying to figure out the President's position, and maybe the Senator can explain to me why no means testing. You know, $170 billion and basically no way to pay for it was not a problem for the President of the United States with Medicare Part D. They were jumping up and taking credit for it then. There was absolutely no means testing, and it was much more expensive than this program.

The question is, what is the difference? Why is it that the President has a problem with this program, when Medicare Part D, with no means testing, no way to pay for it, was just fine?

Mr. COBURN. I would be remiss if I thought I could speak for the President. But I will tell you what this Senator thinks. Medicare Part D hung on the shoulders of our children $8.3 trillion worth of unfunded liabilities.

So today we are giving prescription drugs to seniors, and we are taking away future opportunity from our kids. Had I been here, I would not have voted for Medicare Part D. In fact, I lobbied a lot of my former friends from the House to vote against Part D. That is not what we are talking about today.

What we are talking about today is, if we are going to have a program for poor children, which I support, we at least ought to cover up to 95 percent of the kids who are eligible before we expand the eligibility. That is where the $7.8 billion over the next 5 years needs to be added to this program, and then with the caveat that says: States, you cannot go to the higher income until you cover the poor.

This is a typical example of what Washington does and America rejects all the time. We do not measure what we are doing to see if we are accomplishing things. What we do know about SCHIP is that in many places it has been a valuable lifesaving tool for the poor people in this country. But, in fact, the States have done a poor job of enrolling many of those kids.

What we also know about SCHIP is that 35 of the States put their kids on SCHIP into Medicare. Now, what does that mean? Since you get no choice of half the doctors who are out there who are eligible to care for the kids, what we have said is, we are going to give you care, but you get no choice. You get care, but you get no choice. You get no freedom when the Government helps you with who your child is going to see.

So I do not doubt that there are inconsistencies in any President's position. I can debate Medicare Part D all day. I am with you. I am on your side. But the point is, this debate is not about helping kids. This debate is about changing the underlying structure of our health care and starting to build a Medicare from the ground up, and we have a Medicare here and merging them in the middle.

I am willing to debate that, too, but I want us to be honest about what we are debating; otherwise, we would not have a family of five in New Jersey making $89,000 a year eligible under this program, someone who already has insurance.

So here is the question for the American people: Do you want to pay taxes to buy health insurance for 1.2 million kids, for parents who already have it, and give them a program that is subpar to what they already have with no decrease in the insurance cost to parents for the insurance they are covering now? That is the question.

And do we have a way of covering poor kids that would be better? I would propose to the Senator from Missouri that a refundable tax credit to poor children, allowing their parents to have enough money to buy a policy, which the average is truly $1,700 per year, per kid, a refundable tax credit that gives them the freedom to choose any doctor they want, that does not put a Medicaid on their forehead, that automatically excludes 50 percent of the physicians in this country, is a far better way to do it and a more equitable way to do it.

If we did that, that would pay for itself without raising taxes anywhere because you would eliminate the cost shifting that goes on in the health care industry for the kids who do not have care today. And we will not raise taxes on the poorest of the poor because that is who is going to be paying for this.

Plus, we all know, 21 million new Americans are not going to start smoking. We all know that. But yet that is how we chose to meet the requirements of pay-go here, through a false claim that we will have enough revenue to pay for it by raising the tax on cigarettes.

So I am all for having a debate on national health care. Senator WYDEN and I and Senator BENNETT and Congressman CONYERS and myself and Senator BURR had that debate in New York this week at the New School. That is a good debate to have. But this is a slight. This is a slight about what we are doing. And the question to the American people has to be: Do you really think, if you are making $45,000 a year or $65,000 a year, that your taxes ought to go up to pay for somebody who is making 61,000 or less, and at the same time limit the availability of those same children to have the physician of their choice? That is what we are talking about. I believe we ought to cover poor children. I think that the SCHIP program now ought to be held accountable to cover the poor children. If we are going to pay for it, I am willing to

put the money and find offsets somewhere else to pay for it, if we do not do a tax credit.

Mrs. MCCASKILL. Mr. President, if the Senator would yield for a second, as he well knows, I voted with him. I voted with the Senator from Oklahoma to try to pull some of the earmarks out of the bill, to pull all of that money out of children's health insurance. I think he and I both agree on the goal.

The problem is, the question I wanted to ask—and he is not in a position to answer it because, unfortunately, he is not someone who was here who voted for Medicare Part D, but the inconsistency as to what I hear from the White House and what I think people in this Chamber are hearing from the Senators who voted for Medicare Part D is, every argument they are using for SCHIP is true but exponentially higher in Medicare Part D.

By the way, the only difference is in Medicare Part D the people who are making the money are the pharmaceutical companies and the insurance companies, and it is not funded and multimillionaires and billionaires get it. So it is so unfair to say that the President is taking a principled stand because if it were a principle, it would have been consistent for both SCHIP and Medicare Part D. That is the question that you are unable to answer, and I have yet to hear anybody answer that question.

Mr. COBURN. Mr. President, I reclaim my time to say the following: I think the Senator from Missouri makes a good point on consistency. I think they are finally awakened to what the American people want at the White House. I think they are finally starting to pay attention that being efficient in the Federal Government is important.

But having not been, maybe, efficient with Medicare Part D, I applaud the President for now taking a stand on something that is common sense that would say: If we are going to have a program for poor children, let's make sure it covers poor children. Let's make sure it covers poor children. Right now it does not. Right now it does not.

Rather than expand the program that is not meeting what it is supposed to do and raise taxes on the poorest of the poor, I think the President's response and the CBO's score, which is $7.8 billion more over the next 5 years instead of $35 billion more over the next 5 years, is a reasonable response to really cover poor children.

And what we know, by what CBO says, is that will do it. Now, let's talk about the difference in what we are going to be having the cloture vote on now versus the bill that the President just vetoed. This bill covers 400,000 less kids; it spends $500 million more. So we are not at $4,000 anymore, we are at about $4,200 to buy $2,300 worth of health insurance. It does not fix the fast lane for illegal immigrants as the authors claim. It does not fix adults on the SCHIP program.

CBO says in 2012, at least at a minimum, 10 percent of the enrollees will still be adults. It does not fix the crowdout issue. This bill will cause 2 million people to lose private insurance coverage and come in a government-run program, crowding them out of the private insurance market. Despite a fix for the problem of enrolling more higher income kids than currently eligible kids in SCHIP, the CBO still projects only 800,000 currently eligible, currently eligible SCHIP kids, will get enrolled.

But 1.2 million kids of families making more than $60,000 will get enrolled. So for every two kids we enroll who are poor, we are going to take three kids out of the private sector. We have talked about what kids lose when they go to the Medicaid Program.

What are the other problems? In this bill are earmarks for specific hospitals to violate CMS payment rules to pay those hospitals more than what the rules say because some Congressman or Senator thinks they should not have to live within the rules. I would love to be able to tell that to people in a community in Oklahoma who just had to shut down their hospital because they could not make it under what CMS rules pay.

So what we have is about seven of those in here, where we are going to take care of the little hospitals of seven Members of Congress, but we are going to ignore all of the rest of the community hospitals in this country that are struggling under a payment system that does not pay for the care of people they are supposed to be caring for.

There is still an income disregard loophole, which means it does not matter what you said because we have a loophole that says if States want to, they do not have to follow the income guidelines. You can still enroll families making more than $100,000 a year in the SCHIP program.

Well, that is in there by design because the desire and design of this bill is to move to single-payer, national health care.

I think the Presiding Officer sitting in the chair right now probably believes that is where we should go. I do not have any problem debating that. But the incrementalism and the real effort of this bill is to expand SCHIP to a point where Americans who have insurance are going to pay higher taxes so everybody can get covered. If you look at the mess that is trying to be created by these five or six hospitals in here right now, how are we going to solve that problem when everything is Medicare?

Some say we are going to take the profit motive out of medicine. We are going to take the profit motive out of the drug industry. We are going to have a 220,000-physician shortage in 15 areas in this country. The applications for enrollment at medical school are diving. Why are they diving? Because they cannot afford the education and then have an income to pay off their student loan, let alone pay for housing and income to feed their kids.

How did that come about? It could have been Medicare creating that. It could have been that we were not willing to pay. What else is going to happen? Eighty percent of all innovation in health care in the world comes from this country. Eight out of every ten new ideas that are lifesaving, eight out of ten of every new treatments, eight of ten new devices are developed in this country.

Why are they developed? Because we still have 48 percent of the health care system that is not run by some government program. And through there, there is enough risk taken, based on the reward that can be gained, to invest in capital and research to develop these lifesaving treatments.

We say we want to move SCHIP in the name of kids, but what we really want to do is to have national health care. Well, we better think about that hard and long because here are the statistics on cancer treatment in this country compared to everywhere else in the world. It does not matter what cancer you get in this country, you have a 50-percent greater chance of living 5 years than anywhere else in the world.

Why is that? Is it those big, bad pharmaceutical companies that have to spend a billion dollars just to get through the maze at FDA? Is that what it is? Is that why? I am a two-time cancer survivor. I am so thankful for the pharmaceutical industry. I would not be here without them. Two times they have developed, researched, and made drugs that have saved my life.

I do not disagree that we have some excesses in corporations in this country. But the pharmaceutical industry, with all the negatives that are out there, still leads one of the most positive responses we have ever seen in this country to solving real problems for real Americans. So we can beat them up and we can beat the President up and say Medicare Part D. I do regularly on Medicare Part D. I don't think we ought to steal from our children to have drugs paid for. But this bill steals from everybody. It also steals from the poorest. It steals from the poor, blue-collar, low-income worker who has the benefit of a lot of other programs. It says: We are going to raise your taxes because you happen to be addicted to nicotine. We are going to steal from you to pay for somebody who is making $61,000 a year who already has insurance. Do we want to do that? Do we want to steal from the people who are working, barely getting by, so we can pay for people who already have insurance? Is that what we are doing? That is what we are doing.

I have listened to the debate. I offered some ways to change this. Senator BURR and I offered an amendment. We didn't get a vote on it. It solves through tax credits a way to insure, not go into a Medicaid program but insure with choice, so you take the stigma of Medicaid off patients' foreheads.

We offered a way that every kid could get covered. It is called a refundable tax credit. It can only be spent on health insurance or health care. But people don't want to do that. Why would those who are more progressive in thought not want to do that? Because they offered the original income tax credit. Why would they not want to do that? It is because the agenda is different than we say it is. The agenda is to start toward a nationalized, single-payer, government-run, no-choice health care system that will eliminate that 80 percent of innovation in the world made by American ingenuity, American capitalism, American idea that ''I will invest some of mine to see if I can come up with an idea that will help somebody else and, by the way, I will profit from it.''

What we are saying is, we don't want markets to work. We want the Government to run it. If you think about everything else we have today, everything with the exception of health care and primary and secondary education, we believe in markets. They have been very good to us. They have given us the highest standard of living of any society ever in the history of the world. They have advanced causes in terms of treatment of disease more than any advancement ever in the history of the world. What this bill is about is saying: We don't believe markets ought to apply.

Myself, RICHARD BURR, and five others have a bill called the Health Care Quality and Choice Act. It creates a tax credit for everybody to buy their health care. We treat everybody the same. Everybody gets the same amount. Everybody gets to buy a private health insurance plan. We create a market so the insurance industry doesn't steal 25 percent of the cost of that. We set up a way to create markets. The Every Child Insured Act, legislation offered by RICHARD BURR, creates a way where every kid is covered. Senator MARTINEZ and Senator VOINOVICH have a bill that covers up to 300 percent with tax credits of all the kids in the country who don't presently have health insurance. This bill isn't about covering kids. This bill is about putting the Government in control of the last 48 percent of health care. As P.J. O'Rourke says, if you think health care is expensive now, wait until it is free.

A couple other things the American people should know is that England is pouring billions of dollars into their national health care system now. Why? Because on average when you get cancer in England, up until 18 months ago, once you were diagnosed, you waited at least 12 months before treatment started. They have a goal by 2010 to get to 3 months to start your treatment. Do you know what the average length of time, insured or uninsured, in this country is from the time you have a diagnosis of cancer until you start getting treated? It is 3 weeks and 2 days. Why do you think we are doing better than they are on these things?

We are about to go into a system that destroys innovation, destroys quality. I agree, there is plenty wrong in health care. I have a bill that changes us toward prevention. I am all for working on the problems we have in health care. But the question the American people ought to ask is, do we want to tax ourselves to pay for care for kids who are already covered in the name of not doing a good job under the SCHIP bill now, and should we have the kids who need to be covered covered before we start reaching beyond those who already have care? They are not going to answer that question. Because the real debate is, the first step is to get away from your choice of choosing a doctor, your choice of what facility you will go to, your choice in getting to choose what drugs you will take and what options you will have, because the Government bureaucrats are going to decide all that for you.

If you believe that is not true, look at what Medicare is doing right now for women who have osteoporosis. They get diagnosed with a DEXA-scan. They get treatment. But because doctors in this country have ordered too many DEXA-scans, according to the bureaucracy in Washington known as the Center for Medicare Services, we have now limited physicians. You can't check to see if the medicine you are giving is working and maybe change the medicine to give them one that might be working, because a bureaucrat has decided we are doing too many tests. That is called rationing. That is why health care costs are lower around the world, because they let people die from cancer. They let people die with a broken hip. They let people die with congestive heart failure.

We don't. We value individual lives and we are willing to put the resources in for the best, longest, and best quality life. Don't be fooled about what this bill is about. This bill is the first step toward national health care. This bill fails to address the problems in SCHIP as they are today. This bill raises taxes on the poorest of the people in the country—all in the name of having a political issue in 2008 to say those people who oppose this don't care about kids. I have spent my whole life delivering babies, 4,000 of them now. That is a false claim. If you care about these kids, you will balance the budget, pay for the war by the expensive, duplicative, wasteful programs we could eliminate. We would have a balanced budget, and we wouldn't be charging the very thing we are getting ready to pass on to our kids, which is a $300 billion deficit this year alone. Caring about kids means you will make the tough choices, that means you go against the interest groups to do what is right for the future, not what is best for the next election.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. CASEY. Mr. President, I believe on the Democratic side we may be out of time. On the Republican side, there is time left. I ask unanimous consent to borrow some of the Republican time.

Mr. COBURN. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASEY. I thank the Senator from Oklahoma.

I have a limited amount of time, but I want to highlight a couple of things about the State Children's Health Insurance Program legislation. All of America knows about it. We have been debating this for weeks, and we will continue. Obviously, there are differences of opinion about what to do about health care generally. I will focus on one argument that has been made against this, that somehow if the Federal Government continues the State Children's Health Insurance Program and adds funding—we had an overwhelming vote here in the Senate, and we will have that again today, a veto-proof endorsement of the program and the dollars to back it up by an increase in the cigarette tax—what has been debated back and forth is the coverage and who gets covered and who doesn't.

People across America have heard a lot about 200 percent of poverty, 300 percent of poverty. These numbers get thrown around. Two hundred percent of poverty means a family of four is making $41,300. Most of the families covered by this program and that would continue to be covered or would be added to the coverage are in that range and below 200 percent of poverty. I want to put up a chart that walks through this in terms of a family. If we look at 32 States, we have about 32 States that set the income eligibility for the Children's Health Insurance Program at 200 percent of poverty, $41,300. Of course, 201 percent would be 1 percentage point above that. So let's say a State doesn't allow and the Federal Government won't allow States to go above 200 percent of poverty. Here is what families are facing, getting by on $41,507, for an example, in a rural county in Pennsylvania. If you look at a family of four with two children, take-home income is $2,893; housing, $726; childcare, $1,129—even if you got a child credit, it would still be a big number; $609 for food; $446 for transportation; phone service, $45; total $2,955. That is their expenses. Then you add in the number from up top, the income level, the monthly income, the differential between the income and the expenses, you get a minus of $62. Let's say that is off by a couple hundred dollars. Let's say those numbers are off by a few hundred dollars give or take. It doesn't matter. Because either way you cut it, if a family is faced with the basic necessities of life, not factoring in school supplies, not factoring in an emergency for a child hospitalization, not factoring in other things that families have to deal with every day, whether it is an extra rent payment or an increase in rent, whether it is a pair of shoes or sneakers for a child, none of that is

factored in there, this family is still behind at 201 percent of the poverty level.

I have been hearing for weeks from the President—we have all heard from him when he makes public pronouncements—that somehow this program is going to families who don't need it; their incomes are too high; it will go above that. Yet now you have Senate and House negotiators who have worked out an agreement where they put a ceiling at 300 percent because of objections that were raised. I don't know what more we can do. The President apparently thinks this program works. He says he supports it. His measly increase would actually lead to a reduction of the number of American children who are covered. But he says he supports the program. He says he wants to increase it. He said, when campaigning, that we should add millions more. Yet he is the roadblock in front of progress on this issue.

This illustration is right on target in terms of what a real family faces. One more point about this. Think about what it costs; even if you have a family who has coverage through their employer, that family may have to deal with a similar situation. We all know that the average monthly premium for family coverage is about $300. In either scenario, they are up against a lot paying for children's health insurance, and this is at a fairly low income level for a family of four. That argument makes no sense.

I will conclude with one other argument. There were representations made over many weeks now by the President. He kept pointing to States such as New York and New Jersey as examples of how these numbers would get too high and the income levels would get too high. I can debate him on that point, but I will put that aside for a moment. What he didn't talk about and what some of his allies have not talked about is the fact that this isn't just about what happens to children in urban areas. We know from history, from 10 years of evidence, this program not only works generally, but it works particularly well for poor kids. It works particularly well for African-American children. We have cut that rate of uninsured a lot. It works particularly well for urban children who happen to be Hispanic. But what the President doesn't want to admit is that it also helps a lot for rural children.

Today in America one-third of all rural children—we have a lot in Pennsylvania, a lot of children who live in rural communities—get Medicaid or SCHIP. Thank God we have those programs for rural kids and for urban kids and all the rest.

I will give you two examples, and then I will conclude. Pennsylvania has a broad middle. We have a lot of smaller counties, many of them rural. To give you two examples: Clarion County and Huntingdon County—one is in the middle of Pennsylvania toward the southwest and one, Clarion, is up almost in the northwestern part of our State.

Under the Bush plan, if the President were to get his way, under his children's health insurance proposal, here is what would happen in Clarion County, PA. Between fiscal year 2008 and fiscal year 2012, it is estimated 146 children would lose coverage. OK. Go a couple counties away to Huntingdon County—a small rural county—and in that same time period of 2008 to 2012, 129 kids would lose their coverage.

Now, I think it is a tragedy for 1 kid or 5 kids or 10 kids to lose coverage, but now you are talking about hundreds of kids in two small counties in terms of population.

What is the comparison to the bipartisan children's health insurance proposal? Clarion County would gain 278 children, Huntingdon County would gain 247. So instead of losing about 130 to 150 in each of those small counties, we gain 250 children or more, maybe as high as 280 children.

So that is the difference. We can talk all we want about percents of income in all the States. I am looking at two counties in Pennsylvania that happen to be smaller in population and that happen to be largely rural, and I know hundreds of children who get coverage now will not get that coverage in those two counties; and hundreds of children would get coverage under the bipartisan children's health insurance legislation.

I do not know what more the Senate and the House can do on both sides of the aisle to plead with the President to go along with what the American people have told us overwhelmingly. There are a lot of things we disagree about in the Senate and across the country, but very few Americans now disagree that investing in children in the dawn of their lives is a good idea for that child, for his or her community, and for our economy long term.

So we will continue to make the case up until and through the vote today. But I think this is critically important for the children of America, all the children of America—urban, suburban, rural or any other way we classify where our children live. For their sake, and for the sake of the long-term economic future of the country, I believe the State children's health insurance legislation is urgently needed.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, to quote Yogi Berra: It feels like deja vu all over again.

Here we are again debating the State children's health insurance bill, or SCHIP as we all know it by. I know colleagues are tired of this issue and frustrated by the process.

I do think, though, we have an opportunity to move forward and to bring this issue to closure. I think my colleagues should be aware of many of the improvements that have been made to the bill that has passed the Senate twice. These improvements were negotiated in a bipartisan manner with the Senate and the House in order to help persuade Members who have indicated a willingness to support the SCHIP bill.

A lot has been said about who is or is not negotiating the bill. Some have been critical because they have not been part of those discussions. To them I would say: Stop trying to kill the bill if you want to be a part of the negotiations. It makes no sense to negotiate with Members who have said they are never going to vote for the bill.

So we have been trying to figure out a way to make the bill better. Here is where we are so far:

There is more of an emphasis upon poor kids. Everybody has been saying: We ought to emphasize getting kids under 200 percent of poverty into the program. We have rewritten the bill to make that more certain. It is probably still not satisfactory to some people so far, but we will continue to work on that.

Then there is the whole New York $83,000 red herring issue, and that was in the President's veto address. But remember, it was not in our bill. But somehow somebody told the President it was in the bill, and then the President, in his veto message, referred to a reason for vetoing the bill was the $83,000 issue with New York. That has been in the law for 10 years. What we did—so the President could not say that anymore—is we made clear this was not going to happen in any State.

Then we took care of the childless adult issue. In the original bill, you remember, we phased out childless adults covered by the SCHIP legislation, and we phased them out in that bill over a 2-year period of time. We now have that down to a 1-year period of time.

Premium assistance is strengthened. A technical clarification to the citizenship documentation provision in the bill has been made. That is not all. More work yet this morning—with Senator BAUCUS and me and some House Members—more work is underway trying to work with those who are sincerely wanting to vote for a children's health insurance bill.

We are working on a potential amendment to this bill that will go further to address putting kids under 200 percent of poverty first, strengthening the private coverage options, and further clarifying that no illegals can get onto the program.

Now, you understand, all these things are what our intention is. But somehow, through statutory language, we have not been able to make it clear enough. So we are going back and trying to make it more clear as a practical matter, maybe doing in a real

way what we intended to do that maybe when we wrote the language unintentionally was not accomplished.

Now, to the point of illegals, Members who are working to kill this bill have tried to make it seem like this bill opens the floodgates to people who are in our country illegally getting onto the health programs. To keep asserting this is as responsible as yelling ''fire'' in a crowded movie theater.

The latest assault is being leveled at the provision based on a bill authored by no other than Senator LUGAR. It is a provision called ExpressLane, which allows States the option—just the option—to establish income eligibility based on eligibility for other means-tested programs. ''ExpressLane'' is the new poster child now for those who scream ''illegals'' as a way to kill the bill.

I ask unanimous consent to speak for 1 more minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, the ''ExpressLane'' option in the bill clearly requires a State to confirm the citizenship of applicants. I want to make that clear. The ''ExpressLane'' makes sure you have to be a citizen of the United States.

Since some Members clearly are not reading the bill, let me read from those provisions:

Verification of citizenship or Nationality status: The State shall satisfy the requirements of section 1902(a) (460)(B) or section 2105(c)(10), as applicable for verifications of citizenship or nationality status.

I don't know how much more clear it can be, and I hope it puts to rest a very sad mischaracterization of the bill.

To sum up, the bill before us now is an improvement on the bill that passed the Senate. It strengthens the number of provisions that Republicans have been concerned about. I hope with the amendment I am working on with Chairman BAUCUS, Senator HATCH, Senator ROCKEFELLER, and Members of both parties from the House of Representatives, that we will be able to increase the number of Republicans who vote to support this bill here in the Senate.

I support cloture in the vote just coming up and I ask my colleagues to do it so we can proceed on this bill. I urge my colleagues to vote the same way.

I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, and pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 450, H.R. 3963, Children's Health Insurance Program Reauthorization Act of 2007.

Max Baucus, Harry Reid, Benjamin L. Cardin, S. Whitehouse, Robert Menendez, Daniel K. Inouye, Jack Reed, Barbara Boxer, Patrick J. Leahy, Bernard Sanders, Ken Salazar, Kent Conrad, Ron Wyden, Byron L. Dorgan, Debbie Stabenow, Bill Nelson, Robert P. Casey, Jr.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call is waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 3963 to amend title XXII of the Social Security Act to extend and improve the Children's Health Insurance Program shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Illinois (Mr. OBAMA), and the Senator from Oregon (Mr. WYDEN) are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN) would vote ''yea.''

Mr. LOTT. The following Senator is necessarily absent: the Senator from Virginia (Mr. WARNER).

The PRESIDING OFFICER (Mrs. MCCASKILL). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 62, nays 33, as follows:

[Rollcall Vote No. 401 Leg.]

YEAS—62

Akaka	Feinstein	Murray
Alexander	Grassley	Nelson (FL)
Baucus	Harkin	Nelson (NE)
Bingaman	Hatch	Pryor
Boxer	Inouye	Reed
Brown	Johnson	Reid
Byrd	Kennedy	Roberts
Cantwell	Kerry	Rockefeller
Cardin	Klobuchar	Salazar
Carper	Kohl	Sanders
Casey	Landrieu	Schumer
Clinton	Lautenberg	Smith
Coleman	Leahy	Snowe
Collins	Levin	Specter
Conrad	Lieberman	Stabenow
Corker	Lincoln	Stevens
Dodd	Lugar	Sununu
Domenici	McCaskill	Tester
Dorgan	Menendez	Webb
Durbin	Mikulski	Whitehouse
Feingold	Murkowski	

NAYS—33

Allard	Craig	Isakson
Barrasso	Crapo	Kyl
Bennett	DeMint	Lott
Bond	Dole	Martinez
Brownback	Ensign	McCain
Bunning	Enzi	McConnell
Burr	Graham	Sessions
Chambliss	Gregg	Shelby
Coburn	Hagel	Thune
Cochran	Hutchison	Vitter
Cornyn	Inhofe	Voinovich

NOT VOTING—5

Bayh	Obama	Wyden
Biden	Warner	

The PRESIDING OFFICER. On this vote, the yeas are 62, the nays are 33. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The majority leader is recognized.

Mr. REID. Madam President, while everybody is here, there will be no more rollcall votes today. I am going to be meeting shortly with Senator MCCONNELL to find out when the next vote will be. The next vote can only come about with a unanimous consent request. I will work with Senator MCCONNELL to see if we can come up with an easier lift than what is required under the rules.

Under the rules, we will vote at approximately 1 a.m. Friday morning on the next aspect of this procedure we have on the CHIP bill. We will visit in a short time to see if we can change that time in any way. Again, that would have to be done by unanimous consent. As we know, if any one person doesn't like it, it will not happen. Otherwise, the next vote will be likely at 1 a.m. Friday morning.

As I said, I will do everything I can to see if we can make it more convenient for the Members, as I am sure Senator MCCONNELL will. We have, on this most important issue, to make sure that the necessary parties are contacted and that everybody knows exactly what they are doing. So until further notice, the next vote will be at 1 a.m. Friday morning.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. LINCOLN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. MCCONNELL. Reserving the right to object.

The PRESIDING OFFICER. The Senator cannot reserve the right to object.

Mr. MCCONNELL. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MCCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCONNELL. Madam President, the Senate is now considering what is essentially a do-over bill. The majority seems to believe that what didn't pass muster the first time and was vetoed by the President can now be successful. Well, it can't be, and my friends on the other side of the aisle know that.

The reason we have this do-over bill before us is because, I believe, this process has become more about scoring political points than making good policy. When the other Chamber passed this bill—and they rammed it through, in essentially 1 day—not only did they not pick up any votes, they actually lost one vote on the House side.

Then the majority in this body bypassed the committee process where both parties would have had a chance to strengthen the bill and brought it directly to the floor.

Last Friday, the majority filed cloture on the motion to proceed, forcing this vote today. It is the majority that wanted to vote on this do-over bill, not my side of the aisle.

The majority is also expected to fill the amendment tree to prevent Republican Senators from offering amendments and closing loopholes in the bill. All of that suggests to me that this is about politics, really, and not policy.

So the bill before us is almost like a sequel of the bill that was vetoed the last time. And like any sequel, it is even worse the second time around.

According to the Congressional Budget Office estimates, this bill actually covers 400,000 fewer children than the original SCHIP bill. Yet it costs more—a half billion dollars more.

Our friends on the other side argue that their do-over bill will serve low-income children first. But instead of requiring that low-income children be served first before expanding the program to cover those beyond 200 percent of the Federal poverty level, this bill expands the program to cover families making as much as 300 percent of the Federal poverty level.

This will repeal the requirement that the Secretary of Health and Human Services, Mike Leavitt, just recently put in place that States cover 95 percent of low-income kids before they expand.

This bill also contains an ''income disregard loophole'' that would allow States to ignore thousands of dollars of income when determining SCHIP eligibility. States could essentially define a family's income at whatever level they see fit.

Democrats also argue this do-over bill will only serve children, not adults. Even that is not the case. While this legislation would phase childless adults out of the program within 1 year, parents would still be eligible.

Put it all together, and we have a bill born out of a process that is focused more on scoring political points than making good policy, and it is certainly not one I intend to support.

I urge my colleagues to re-engage in communication and consultation with this side of the aisle. Together, we can craft a bill that keeps its focus on low-income children and can actually receive a Presidential signature. That is the way to accomplish real results for the American people. We Republicans stand ready and willing to do just that.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Madam President, what is the matter before the Senate?

The PRESIDING OFFICER. The motion to proceed to the Children's Health Insurance Program.

Mr. BYRD. I ask unanimous consent that I may speak as in morning business, and I speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

IRAN

Mr. BYRD. Madam President, I commend and offer my wholehearted support for the resolution that Senator DURBIN has submitted. His resolution, which I am proud to cosponsor, is a simple, clear statement of a fundamental constitutional principle; namely, that the Congress and only the Congress has the power to declare war. As this resolution states:

> Any offensive military action taken by the United States against Iran must be explicitly approved by Congress before such action may be initiated.

The President is the Commander in Chief of the Armed Forces. But the President of the United States, although Commander in Chief of the Armed Forces, is not a dictator. The President is not an emperor. He is President, who, like all Presidents, takes an oath of fealty to the Constitution of the United States.

It is the American people—the American people—who pay the price of war in blood and in treasure. And it is the American people, through their representatives in Congress—that means us—who must give their approval—the approval of the American people—for such a momentous decision. That is the system that George Washington recognized when he presented his resignation to the Continental Congress. That is the system that the wise Framers of the Constitution created when they drafted our most basic and sacred document. That is the system that every Senator takes an oath to defend.

Today is a fitting day to discuss the issue of Iran. Today is All Hallows Eve—Halloween—a day when people don masks and costumes to frighten others. The White House has been busy unleashing its rhetorical ghosts and goblins to scare the American people with claims of an imminent nuclear threat in Iran, as they did with Iraq. But while few people doubt the desire of some in the Iranian regime to attain a nuclear bomb, there is little evidence that Iran is close to acquiring such a weapon. Fear, panic, and chest-pounding do not work well in the conduct of foreign policy. This is a time to put diplomacy to work. There is ample opportunity to coordinate with our allies to constrain Iran's ambitions. But instead of working with our partners, the Bush administration has unveiled new unilateral sanctions against Iran. Instead of direct diplomatic negotiations with Iran, the Bush administration continues to issue ultimatums and threats.

We have been down that path already. We know where it leads. Vice President CHENEY recently threatened ''serious consequences''—serious consequences—if Tehran does not acquiesce to U.S. demands—the exact phrase that he, the Vice President, used in the runup to the invasion of Iraq. The parallels are all too chilling. President Bush warned that those who wished to avoid World War III should seek to keep Iran from obtaining nuclear weapons. Secretary of Defense Gates has admitted in the press that the Pentagon has drafted plans for a military option in Iran. The President's $196 billion request for emergency war funding included a request for bunker buster bombs that have no immediate use in Iraq. Taking all of this together—the bellicose rhetoric, the needlessly confrontational unilateral sanctions, the provocative stationing of U.S. warships in the region, the operational war planning, and the request for munitions that seem designed for use in Iran—these are all reasons for deep concern that this administration is once again rushing headlong into another disastrous war in the Middle East.

The Bush administration apparently believes it has the authority to wage preemptive war. It believes it can do so without prior Congressional approval. That is why the resolution of Senator RICHARD DURBIN of Illinois is so critical—namely, the White House must be reminded of the constitutional powers entrusted to the people's branch—that is us, the House of Representatives and the Senate. I urge my colleagues to join Senator DURBIN and me on this important resolution and halt—halt—this rush to another war. Let us not make the same disastrous mistake as we did with Iraq.

Madam President, I yield the floor.

Mr. WHITEHOUSE. Madam President, may I speak for 12 minutes as in morning business?

The PRESIDING OFFICER. Without objection, it is so ordered.

ON THE NOMINATION OF MICHAEL MUKASEY

Mr. WHITEHOUSE. Madam President, the Senate is now called upon to consider President Bush's nominee to succeed Alberto Gonzales as Attorney General of this Nation the person we must rely on to repair what has been left broken to uphold the rule of law where political loyalties once ruled and to lead the Department of Justice forward at a time of upheaval; and of urgency.

In many ways, President Bush has made a fine appointment in Judge Michael Mukasey; far better than we have come to expect in this administration. He is not a political hack. He is not a partisan ideologue. He is not an incompetent crony. We have had our share of those. No, he is a brilliant lawyer, a distinguished jurist, and by all accounts a good man.

And no one feels more keenly than do I the need for repair and recovery of the Department of Justice. In a small way, I served this Department, as a U.S. Attorney, and I feel how important this great institution is to our country; and how important an Attorney General—such as Judge Mukasey could be—is to this great institution.

I wish it were so easy. But there are times in history that rear up, and become a swivel point on which our direction as a Nation can turn.

The discussion of torture in recent days has made this such a point. Suddenly, even unexpectedly, this time has come.

It calls us to think—What is it that makes this country great? Whence cometh our strength?

First, of course, is a strong economy, to pay for military and foreign aid activities; to attract the best and the brightest from around the world to our land, and to reward hard work and invention, boldness and innovation.

Now is not the time to discuss how we have traded away our heartland jobs, how our education system is failing in international competition, how a broken health care system drags us down, how an unfunded trillion dollar war and the borrowing to pay for it compromise our strength. For now, let me just recognize that a strong economy is necessary to our strength.

But a strong economy is only necessary, not sufficient. Ultimately, America is an ideal. America for centuries has been called a ''shining city on a hill.'' We are a lamp to other nations. A great Senator on this floor said ''America is not a land, it's a promise.''

Torture breaks that promise; extinguishes that lamp; darkens that city.

When Judge Mukasey came before the Judiciary Committee, he was asked about torture and about one particular practice which has its roots in the Spanish Inquisition. Waterboarding involves strapping somebody in a reclining position, heels above head, putting a cloth over their face and pouring water over the cloth to create the feeling of drowning. As Senator JOHN MCCAIN, who spent years in a prison camp in North Vietnam, has said, ''It is not a complicated procedure. It is torture.''

The Judge Advocates General of the United States Army, Navy, Air Force and Marines have agreed that the use of simulated drowning would violate U.S. law and the laws of war. Several Judge Advocates General told Congress that waterboarding would specifically constitute torture under the Federal Anti-Torture Statute, making it a felony offense.

Judge Mukasey himself acknowledged that ''these techniques seem over the line or, on a personal basis, repugnant to me.'' He noted that waterboarding would be in violation of the Army Field Manual.

But in our hearing last week, asked specifically whether the practice of waterboarding is constitutional, he would say no more than: ''if it amounts to torture, it is not constitutional,'' and since then he has failed to recognize that waterboarding is clearly a form of torture, is unconstitutional, and is unconditionally wrong.

There are practical faults when America tortures. It breaks the Golden Rule—do unto others as you would have them do unto you, enshrined in the Army Field Manual with the question, if it were done to your men, would you consider it abuse?

There are practical concerns over whether torture actually works, whether it is sound, professional interrogation practice. I am not an expert, but experts seem to say it is not.

But the more important question is the one I asked earlier—whence cometh our strength as a nation? Our strength comes from the fact that we stand for something. Our strength comes from the aspirations of millions around the globe who want to be like us, who want their country to be like ours. Our strength comes when we embody the hopes and dreams of mankind.

September 11 was a terrible catastrophe that rocked our Nation to its core. But tens of thousands of Americans, nearly 30,000 men, died in the Argonne Forest, and we did not lose our character as a nation. Are we not as strong now as then?

September 11 was a terrible catastrophe that challenged our economy, our politics, and our way of life. But Japan withstood two nuclear explosions, and it is today an economically and culturally vibrant country. Are we not made of stuff as strong as they?

September 11 was a terrible catastrophe, and it lives on as a test for our Nation. But the real catastrophe would be if we sell our birthright for a mess of pottage, if we sell our destiny as a lamp to other nations and a beacon to a suffering world, for bits of coerced intelligence.

I don't think anyone intended this nomination to turn on this issue. So many of us saw with relief an end to the ordeal of the Department of Justice, and wished this nomination to succeed.

But for whatever reason, this moment has appeared, unbidden, as a moment of decision on who we are and what we are as a nation. What path will we follow? Will we continue America's constant steady path toward the light?

Will we trust in our ideals? Will we recognize the strength that comes when men and women rise in villages and hamlets and barrios around the world and say, that is what I want my country to be like; that is the world I choose, and turn their faces toward our light?

Or, to borrow from Churchill, will we head down ''the stairway which leads to a dark gulf. It is a fine broad stairway at the beginning, but after a bit the carpet ends. A little farther on there are only flagstones, and a little farther on still these break beneath your feet''? Will we join that gloomy historical line leading from the Inquisition, through the prisons of tyrant regimes, through gulags and dark cells, and through Saddam Hussein's torture chambers? Will that be the path we choose?

I hope not.

I am torn—deeply torn between this man and this moment. This is a good man, I believe. But this moment can help turn us back toward the light, and away from that dark and descending stairway. If this moment can awaken us to the strength of our ideals and principles, then, with whatever strength I have, I feel it is my duty to put my shoulder to this moment, and with whatever strength God has given me, to push toward the light.

One might argue that this makes Mr. Mukasey an innocent victim in a clash between Congress and the President—that no nominee for Attorney General will be able to satisfy Congress or the American people on the question of torture, because the President or perhaps the Vice President will not allow any nominee to draw that bright line at what we all know in our hearts and minds to be abhorrent to our Constitution and our values.

That is exactly the point. If we allow the President of the United States to prevent, to forbid, a would-be Attorney General of the United States—the most highly visible representative of our rule of law—from recognizing that bright line, we will have turned down that dark stairway. I cannot stand for that. I will oppose this nomination.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Madam President, it is my understanding that we are in the 30 hours of postcloture on the motion to proceed on SCHIP. Am I correct?

The PRESIDING OFFICER. That is correct.

Mr. ENZI. I thought it might be a good idea for somebody to actually talk about that. To quote from Shakespeare:

A rose by any other name would smell as sweet.

But the so-called new SCHIP plan is essentially the same as the old one, and it still stinks.

I rise today to speak about the State Children's Health Insurance Program, or what people on Capitol Hill are calling SCHIP.

SCHIP was created by a Republican Congress in 1997 to help low-income kids get health insurance. The goal of the program is to help kids who do not qualify for Medicaid but also cannot afford to get health insurance on their own, receive the care they need. This program was temporarily extended until November 16, 2007, which is coming up shortly. I am here today to speak about how important it is for Congress to work with the President to reauthorize this critical program in a way that gets every single low-income child who needs insurance insured.

If it were not for politics, this would have been solved last week. It would have been solved last month.

We have been working on this issue in the Senate for a few months now. And the longer we work on it, the more political it becomes. I worried that some Members in this Chamber have lost sight of the goal: making sure all the low-income children in this country have health care.

The press has been reporting that Members of the body have claimed that all the concerns were addressed in the last version of the bill the House voted on last week. That is not correct. The concerns were not addressed. This so-called new bill still fails to put low-income children first by gutting the administration's requirement to enroll at

least 95 percent of the kids below 200 percent of poverty before expanding the program to cover the higher income population.

This so-called new bill still expands the Children's Health Insurance Program to higher income families by using income disregards, which is clarifying certain expenses so they do not count toward income. How much are we going to let people exclude and still consider them poor?

When the House debated this bill last week, Representative DINGELL, the chairman of the Energy and Commerce Committee, participated in the colloquy with Representative BURGESS and explained how the income disregard loophole works.

What this means in plain English is, the majority party knows there is a provision in the bill that could lead to children from families earning over $100,000 going into Government health care. This is exactly what I mean when I say we have lost focus when it comes to this bill. This program is intended to help low-income kids, not kids in families earning as much as $100,000 a year.

The so-called new bill still allows the enrollment of adults, though the bill does transition childless adults off the SCHIP into Medicaid. Parents still receive SCHIP coverage.

The so-called new bill still removes 2 million individuals from private coverage and puts them on Government-run health care at the taxpayer's expense.

Congress needs to ensure this program is paying for health insurance for kids who do not currently have health insurance, not switching kids from private insurance to Government-run health insurance.

We need to help all Americans get health insurance, but there are better, more efficient ways than spoiling a good children's plan. I have introduced a first-class, 10-step plan that would help us achieve the goal of comprehensive health care reform for every American. Any one of those steps would improve the situation for almost all Americans. All 10 steps would improve it for every American.

But to get back to what is wrong with this new bill, the so-called new bill still expands SCHIP to illegal immigrants by weakening citizenship verification requirements. Let me repeat that. This so-called new bill still expands the SCHIP program to illegal immigrants by weakening citizenship verification requirements.

Now, the so-called new bill still is not paid for. It is relying on a budget trick to get around the budget rule. I am the only accountant in the Senate. I am sure there are others who can count. There are documents that show this information, but this so-called new bill still includes a tobacco tax increase, and the proposed tax hike is highly regressive, with much of the tax burden being shouldered by low-income taxpayers.

Now, I am not a fan of tobacco. I have spoken on this floor many times about why I am so adamantly against tobacco usage. But using a tobacco tax to pay for children's health insurance does not make sense because you have to keep the program funding level stable in the future, and that would require 22 million more smokers.

We are going to help children's health by talking 22 million more people into smoking and keeping the ones who are smoking now from quitting? It does not sound like a health care plan to me.

The so-called new bill still contains district-specific earmarks. Again, we know we have lost focus on children's health insurance when the bill contains earmarks for certain districts. Clearly, the so-called new bill has not changed that much from the previous bill. We have to put low-income kids first, and this bill does not do that.

I have cosponsored the Kids First Act, S. 2152. The bill would provide Federal funding for children in need and require the money actually be spent on children from families with lower incomes.

This bill is a good step in the direction of the compromise, and I hope the majority will see that and start working with the minority to pass something the President can sign rather than putting the kids in jeopardy by continuing to play politics.

I would be remiss if I did not mention what a great job my home State of Wyoming is doing in the way that they are administering SCHIP. Wyoming first implemented its SCHIP program, called Kid Care CHIP, in Wyoming in 1999. In 2003, Wyoming formed a public-private partnership with Blue Cross/Blue Shield of Wyoming and Delta Dental of Wyoming to provide health, vision, and dental benefits to nearly 6,000 kids in Wyoming. That is a pretty significant part of our population. Wyoming is the least populated State in the Nation.

These partnerships have made Kid Care CHIP a very successful program in Wyoming. All children enrolled in the program receive a wide range of benefits, including inpatient and outpatient hospital services, lab and x ray services, prescription drugs, mental health and substance abuse services, not to mention dental and vision services.

Families share in the cost of the children's health care by paying copayments for a portion of the care provided. These copays are capped at $200 a year per family—not per child, per family.

Wyoming is also engaged in an outreach campaign targeted to find and enroll the additional 6,000 kids who are eligible for the Kid Care CHIP but are not enrolled. I am proud of the great job Wyoming is doing in implementing its program.

I am proud to say that even if the program were not reauthorized, Wyoming has enough money to run its program for another year because folks there know how to budget and plan. I sure hope it does not come to that. We need to get it extended. We need to get it extended right now.

I hope Congress will be able to set the politics aside and put the kids first. We have a job to do for all the kids in the States that are not as fiscally responsible as Wyoming. They will start running out of money, so we owe it to them to work across the aisle and with the President and get a bill signed into law. I will cover this some more tomorrow when more have spoken and there are some arguments to counter.

There is a way that we can come to a compromise and arrive at a solution. In fact, some of the negotiations I was involved with last week I thought had been reached. And then when I saw the bill that was voted out by the House, I saw a little recidivism there. I thought we had done better than that. But, obviously, we had not. Obviously, we need to keep working.

I yield the floor.

The PRESIDING OFFICER (Mr. SALAZAR). The assistant majority leader is recognized.

MUKASEY NOMINATION

Mr. DURBIN. Mr. President, it is my great honor to serve in the Senate and represent my State of Illinois. It is a singular honor and responsibility.

Unlike the House of Representatives where I was honored to serve for 14 years, in the Senate we are often called on to judge people; not ideas, not bills, not expenditures, but people. I think it defines one of the fundamental differences between the House and the Senate.

So often when it comes to the President's appointments and Cabinet officials, those who serve us in public life, we have to take the measure of a person and decide whether that person is the right one for the moment, if that person has the integrity and the skill and the values to serve this great Nation.

It is a heavy burden. Sometimes I am sure I have gotten it wrong, and other times right. You are never quite sure. In this situation, as a member of the Senate Judiciary Committee, I am faced with this question about filling the vacancy after the resignation of Attorney General Alberto Gonzales.

I was not a fan of Attorney General Gonzales. I voted against his nomination. There were many reasons. I will not go through the long litany. But I did not believe he was the right person for the job. I thought his appointment to lead the Department of Justice was the appointment of a man more loyal to a President than to our Constitution and his special responsibility in our Cabinet.

But even beyond that, I was haunted, haunted by the involvement of Attorney General Gonzales in a historic decision made by the Bush administration.

America has never been the same since 9/11/2001. We can all recall exactly where we were at that moment, the

horror that came over us as we realized how many innocent Americans would lose their lives with this unprovoked terrorist attack on the United States, the grief we shared with families and friends after that loss, witnessing all of the funerals and hearing all of the sad stories.

Determined, this Congress came together in a matter of days and declared war on those responsible. Now there have been many times in my public career when I have been called on to decide whether to go to war. These are the decisions which may look easy from the outside but are never easy.

You know that when a nation goes to war, people will die. You hope it will be the enemy, but you know it will be some of our own, and innocent people as well. You find yourself tossing and turning thinking about what is the right thing to do.

When it came to the declaration of war on the Taliban and al-Qaida for what happened on 9/11, there was no tossing and turning. With resolve, the Senate unanimously voted to embark on that war, to make it clear that the United States would not tolerate what had happened on 9/11.

Of course, shortly thereafter, another challenge presented itself to the Senate when it came to the war in Iraq. I thought that was a much different issue. In fact, I thought it was an unwise policy decision to go forward. I joined 22 of my colleagues in voting against the authorization for the use of military force by President Bush.

I think history has shown that the decision to go to war in Iraq was one that was ill-fated and may go down as one of the worst decisions in the history of our Nation. But what happened in addition to those two declarations of war is also going to be written in the annals of history.

What did we do to protect America? Well, if you look back in our history, you will find that whenever we are insecure and frightened and believe we are in danger, we make a number of decisions to find security and peace of mind. Then over time we reflect on those decisions. And over time some of them do not stand the test of being consistent with our basic values.

We were debating some of those decisions even today in the Judiciary Committee. The question of warrantless wiretapping, the conflict between privacy and security. It is almost always an issue when America is at war or there is a question of our security. It is an issue today: telephone records, records of e-mail traffic, and so forth.

What right does the Government have, and under what circumstances can the Government violate the privacy of an individual in an effort to protect our Nation? That debate will continue. It is far from resolved.

But there was another debate involved after 9/11 that I did not anticipate. I did not imagine at the time, in all of my grief and all of my concern, that this administration would actually call into issue the question of how America would treat its prisoners after 9/11.

The reason it never dawned on me was the fact that for decades now the United States has been in a position of global leadership when it comes to the morally right position on the treatment of prisoners.

We have prided ourselves on our coauthorship of the Geneva Conventions, an international standard of conduct relative to the treatment of prisoners in a time of war. We have prided ourselves on our own Constitution which bars cruel and unusual punishment. We have said that a democracy, the one we revere, the one that is part of our very national being, is a civilized nation, a nation that will draw lines and live by those lines when others might not.

Other countries in the world think perhaps we get on a high horse sometimes when it comes to this. Each year the Department of State puts out a human rights scorecard on the world. We grade the world on issues such as torture, treatment of prisoners, treatment of political dissent, use of child soldiers, genocidal policies. The United States makes an announcement: These are the countries that are not living up to those standards. We stand in judgment of other nations. That is why it came as a surprise to me, as slowly the information trickled out from this White House and this administration, that the Bush administration was raising fundamental questions about whether we would change the way we treated prisoners, detainees in the so-called war on terrorism.

As we learned, some of the decisions of this administration were particularly troubling. They called the Geneva Conventions, which had guided us for almost half a century, quaint, and some referred to them as obsolete; they said that we had to do more when it came to terror. It appears at some point there was a change of heart in the administration and they backed off some of the early harsh language in the so-called Bybee memo and went on to revert to some standards closer to where our Nation had always been. The fact is, there was not only active discussion, but it appears there was active conduct involved in the treatment of prisoners far different than what we had said to the world was our standard of treatment and our standard of care.

I am old enough to recall the Vietnam war. I often say to groups I speak to in Illinois and other places that certain words bring certain images. When the words ''Vietnam war'' are brought to mind and I am asked of the first snapshots in my mind, the first one that presents itself is the black-and-white grainy photograph of the mayor of a South Vietnamese hamlet shooting pointblank at the head of a political prisoner. The second image is of a little girl stripped naked running down a road with her arms extended, burned from napalm. I will never get those images out of my mind.

I am afraid there are images of the war in Iraq that will stay with people for a long time as well. One of them, sadly, will be images from Abu Ghraib prison and the treatment of Iraqi prisoners. A prisoner on a stool with his head covered with a bag, his arms extended with electrodes connected; I am afraid that is an image that will be with us for a long time and in the minds of many will be an unfair characterization of America and what we are about.

That was one of the reasons why I could not vote for the nomination of Attorney General Gonzales. I knew he was complicit in these conversations, these policies, this change when it came to the issue of torture. I find it difficult to rationalize how a person whose job it is to uphold the rule of law could be party to that.

Now comes a vacancy, an opportunity to consider a successor—Judge Michael Mukasey, former Federal judge from New York, a person who has given his life to the law, an extraordinarily gifted, talented, able jurist, who left the bench for private practice. Some have described Judge Mukasey as aspiring to the role of caretaker because it is a year and a few months away from the President's end of office. But the person confirmed to fill that job has a much bigger responsibility than caretaker. He will bear a heavy burden of doing his part to restore honor and dignity to the Department of Justice.

I believe Michael Mukasey could do that if he not only brought the skills of a judge and the administrative skills that he might bring to the job, but also brought with him a clear break from Attorney General Gonzales's views on the issue of torture. It is the Attorney General's role to uphold the law and American values. Former Attorney General Gonzales failed in that role.

The late historian Arthur Schlesinger, Jr. said this about the Justice Department's legal defense of torture:

> No position taken has done more damage to the American reputation in the world—ever.

That is a powerful statement from a man who made his life as a historian and close adviser to President John Kennedy and close confidant of many others at the highest levels of public life, to say that no position taken has done more damage to America's reputation in the world than this administration's position on torture.

Judge Mukasey has a distinguished record. I had hoped his background as a member of the Federal judiciary would give him the independence and integrity necessary for the job of Attorney General. On the first day of his testimony I was so relieved and refreshed; he answered questions. He didn't say ''I don't know'' and duck and dodge. When confronted with hard questions, such as will you be prepared to walk away from this President if asked to do something that you feel inconsistent with the Constitution and laws of the

land, he was resolute and firm in his answers. I thought maybe this is the right person. This is a man who, because of his background and station in life, doesn't need this job but would take it for public service and be willing to stand up for principle. It was so refreshing.

Then came the second day of questions. I had a chance to ask him a question toward the end of the hearing. The room was almost empty. People had come to the conclusion on the second day that it was a foregone conclusion that Judge Mukasey would be approved as the nominee by the Judiciary Committee and submitted to the Senate. I asked him late in the questioning about the issue of torture. In fact, I was specific. I went beyond the general questions of torture because the administration said clearly: We do not have a policy of torture. We don't engage in torture.

I then went to specific forms of torture, things that have been done to prisoners in detention over the centuries which are commonly regarded as torture. I asked him about waterboarding. Judge Mukasey refused to answer the question and said:

I don't know what's involved in the technique. If waterboarding is torture, torture is not constitutional.

SHELDON WHITEHOUSE of Rhode Island is my colleague. He called this response by Judge Mukasey ''a massive hedge.'' I think Senator WHITEHOUSE was kind. For those who heard his remarks a few minutes ago, I told him it was one of the most powerful statements I had heard as a Senator in analyzing the challenge we now face on the Judiciary Committee with this nomination.

I had hoped I would have heard from Judge Mukasey words that were spoken to me and to the committee and to America by people who have given their lives to considering this difficult topic.

Retired RADM John Hutson, former Navy Judge Advocate General, testified at Judge Mukasey's confirmation hearing. He was asked about Judge Mukasey's statements and position on waterboarding. This is what he said:

Other than, perhaps the rack and thumb screws, water-boarding is the most iconic example of torture in history. It was devised, I believe, in the Spanish Inquisition. It has been repudiated for centuries. It's a little disconcerting to hear now that we are not quite sure where waterboarding fits in the scheme of things. I think we have to be very sure where it fits in the scheme of things.

Those are the words of Admiral Hutson. I was troubled by Judge Mukasey's position on waterboarding. I joined with all of my Democratic colleagues in the Judiciary Committee and sent him a letter. I wanted to give him a fair opportunity to reflect on the questions and his answers and to give us a complete statement of his views on this issue. I felt it was important and only fair to give him that chance. Last night we received his reply. To say the least, it was disappointing. We asked Judge Mukasey a simple, straightforward question. Is waterboarding illegal? His response took four pages. In it was very little.

He said waterboarding was ''on a personal basis, repugnant to me.'' But he refused to say whether waterboarding was illegal because ''hypotheticals are different from real life'' and it would depend on ''the actual facts and the circumstances.''

With all due respect, that is an evasive answer. Frankly, while Judge Mukasey has not been confirmed yet, that answer sounds too reminiscent of his predecessor. For the past 5 years, whenever we have asked the administration whether torture techniques such as waterboarding are illegal, they always have the same response: That is a hypothetical question, and it depends on the facts and circumstances.

Let's be clear. Waterboarding is not a hypothetical. Waterboarding or simulated drowning is a torture technique that has been used at least since the Spanish Inquisition and is used today by repressive regimes around the world. I have come to the floor, Senator MCCONNELL has come to the floor, and many others, to decry what is happening in Burma today where the military junta is not only killing innocent Burmese people in the streets but engaging in torture and detention of citizens who are only trying to speak their heart. The Burmese military has reportedly used waterboarding against democracy activists as they violently repressed demonstrations in recent weeks. Whether waterboarding is torture is certainly not a hypothetical question to these Burmese democracy activists. These are some techniques that are so clearly illegal that it doesn't depend on facts and circumstances. They should always be off limits. Would it depend on the facts and circumstances whether it is torture to pull out someone's fingernails? Do you want to know more? Would it depend on facts and circumstances whether rack-and-thumb screws are torture?

Judge Mukasey refused to say whether waterboarding is illegal, but many others have answered this question and they didn't need four pages to do it. Following World War II, the United States prosecuted Japanese military personnel as war criminals for waterboarding American servicemen. The Judge Advocates General, the highest ranking military lawyers in each of the U.S. military's four branches, told me unequivocally waterboarding is illegal.

To take one example, BG Kevin M. Sandkuhler, Staff Judge Advocate to the Commandant of the Marine Corps, stated:

Threatening a detainee with imminent death, to include drowning, is torture.

Senator JOHN MCCAIN, a Republican colleague from Arizona, who knows more than anyone on this floor about being a prisoner and being treated as a prisoner, spoke to this issue with credibility and clarity. This is what he said of waterboarding:

In my view, to make someone believe that you are killing him by drowning is no different than holding a pistol to his head and firing a blank. I believe that it is torture, very exquisite torture.

Earlier this week Senator MCCAIN was asked about Judge Mukasey's refusal to say whether waterboarding was torture. This is how he responded:

Anyone who says they don't know if waterboarding is torture or not has no experience in the conduct of warfare and national security.

Senator JOHN WARNER, one of the authors of the Military Commissions Act, during the floor debate on the same legislation said that waterboarding is ''in the category of grave breaches of Common Article 3 of the Geneva Conventions'' and would be ''clearly prohibited'' by the Military Commissions Act.

Our own State Department has long recognized that waterboarding is torture and cruel, inhuman and degrading treatment. The State Department has repeatedly criticized other countries for using waterboarding in its annual Country Reports on Human Rights Practices.

How can we on one hand say our Secretary of State is going to look at the conduct of the world and issue a report every year and find that if they are engaged in waterboarding and the torture of prisoners, they have violated human rights, and have a nominee for Attorney General of the United States of America uncertain until he knows a little bit more about the facts and circumstances surrounding the use of waterboarding?

It is important to note that although Judge Mukasey was equivocal and evasive on the issue of waterboarding, there were other issues he was happy to volunteer strong opinions on. For example, I asked him whether he believes the Second Amendment secures an individual right to bear arms. Unlike waterboarding, which is widely condemned, this is an unsettled legal question.

The Bush administration takes the position that the Second Amendment protects an individual right to bear firearms, but that view has been rejected by most Federal appeals courts and conflicts with the holding of the U.S. Supreme Court in United States v. Miller. Judge Mukasey did not hesitate and ask for facts and circumstances. He said:

Based on my own study, I believe that the Second Amendment protects an individual right to keep and bear arms.

On this contentious, debated, constitutional issue about the Second Amendment, he wasted no time coming to a legal conclusion. But when it comes to the issue of waterboarding he refuses.

Every reason Judge Mukasey has offered in his letter to us for his failure to take a position on waterboarding

falls short. He says he has not been briefed on the administration's interrogation programs. Isn't it ironic, because if he were briefed, he would have refused to answer the question, saying it is classified. What I am asking about are basic principles, and he refuses to answer.

Now he argues he cannot answer the question because he has not been briefed. As we made clear in our letter, we are not asking Judge Mukasey's views of the administration's interrogation program. We are asking him for his personal opinion on waterboarding.

He also argues he cannot take a position on waterboarding because it would ''provide our enemies with a window into the limits or contours of any interrogation program.''

With all due respect, what does that say about us? If you would go to the Internet now and run a search on the term ''waterboarding,'' you would find there are 18 million references to it—18 million. This is not a term shrouded in mystery. It is a term well known and well discussed across the world.

If the argument is being made by Judge Mukasey that we want to leave our enemies in doubt as to whether we engage in waterboarding, what does it say about us? If the United States does not explicitly and publicly condemn waterboarding, it is certainly more difficult to argue that enemy forces cannot use the same tactics. That has always been the gold standard. If this tactic of interrogation were applied to an American soldier, would the United States cry foul? Would we say it is torture, cruel, inhuman, and degrading?

There is no doubt in my mind we would say any American soldier subjected to waterboarding is a victim of torture. We said it after World War II, and we prosecuted those Japanese military officials responsible.

Why now in the 21st century is there any doubt in Judge Mukasey's mind? Sadly, if the Senate confirms Judge Mukasey, it will tell the world the American Attorney General has not made up his mind about a form of torture that has been repudiated for centuries.

Many of us have a vision of America after this administration. We look beyond January 20, 2009. We hope we will live in a better and safer world. We hope the next President, whoever that may be, will rebuild alliances with countries that have stood by our side through thick and thin throughout our history—countries which are now estranged by the policies of this administration.

We hope whoever the next President will be, that person will seek to restore the image of America in the world, tell people who we are, because many have such wrong and bad impressions of this great Nation. We certainly expect the next President to reestablish the values that define us: fairness and justice, clarity of purpose—a caring nation, dedicated to peace.

When the history of this war on terror and this Bush administration is written, I am afraid many of the actions of this administration will fall into a sad and regretful category—a category that includes the suspension of habeas corpus during the Civil War, the Sedition Act of World War I, the Japanese internment camps in World War II, the Army-McCarthy hearings of the Cold War, the enemies list of the Nixon administration—overreactions by a government so consumed with the idea of security that that government lost its way when it came to our basic and fundamental values.

We cannot lose our way when it comes to the choice of the next Attorney General. As good a person as he may be, his response to this question—this basic and fundamental question on policies of the interrogation of prisoners leaves me no alternative but to oppose Judge Mukasey's nomination to be Attorney General of the United States.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, back in August, I stood right here on the Senate floor and shared the story of a little girl from my home State. I did that because I wanted to illustrate why it is our moral obligation as Americans to renew and improve the Children's Health Insurance Program, or CHIP.

Shortly afterward, the Senate approved the CHIP bill by an overwhelming margin because Senators on both sides of the aisle agreed that all children should be able to see a doctor when they are sick. They supported reauthorizing CHIP because it would reduce the number of uninsured American children by a third.

Well, President Bush vetoed it.

Now it is 3 months later, and I am frustrated and angry that I have to stand here again talking about CHIP and that we are still trying to get the White House to understand.

The supporters of this bill have agreed to a compromise. We want to make this program work. We are back with another bill now that we think meets everyone's needs. So today I come back to the floor to remind President Bush and anyone else who still questions how important it is to approve this program now—about that little girl from Yakima, WA, because it is time for the President to stop blocking her health care.

The little girl I want to tell you about is Sydney. She is 9 years old. In many ways, Sydney is like any other happy child in America. She loves to sing. She loves to dance. She does well in school. She has a lot of friends. But Sydney is different in one way. She has a life-shortening genetic condition called cystic fibrosis. It requires her to take and I quote from her a ''bucketful'' of medicine every day.

She has already spent weeks of her young life in the hospital hooked up to an IV of antibiotics which help her to live another day. All of that is possible because of the health care she has received as part of the CHIP program.

Her mom, Sandi DeBord, told me about Sydney because she was very frightened that CHIP might no longer be available for her daughter. She wrote to me and said:

I know for a fact that without this bit of assistance, her life would end much sooner due to the inability to afford quality health care for her.

Her life would end because she could not afford health care. What a sad note. I am here to tell the story again because, sad to say, 3 months later I cannot assure Sydney's mom that CHIP will always be there. In fact, the news has become even more worrisome.

Just today, in the New York Times, it reported that because of the President's refusal to work with Congress on this bill, several States are now planning to start dropping children from the program in order to save money. Unless something changes, California says it is going to start dropping 64,000 kids a month in January—64,000 kids a month.

A study from the Congressional Research Service found that nine States—Alaska, Georgia, Illinois, Iowa, Maine, Maryland, Massachusetts, New Jersey, and Rhode Island—are all going to run out of money by March. Twelve more States are going to run out between April and September. This is a tragedy, and it is our moral obligation to fix this. That is what we are trying to do now in the Senate.

As Sydney's story shows us, the need for the Children's Health Insurance Program is clear. It does not matter if you are a Republican child or a Democrat child or a progressive or a conservative; making sure our children get health care is the right thing to do.

When a child gets a cut that requires stitches or comes down with a fever or has an earache or any other imaginable problem, they ought to be able to get help, period. This is the United States of America. But, unfortunately, today, in this country, that is not the case. Millions of kids do not get the medicine or the care they need.

We know the ranks of our uninsured children are growing because as the cost of living rises and wages remain stagnant, more and more parents are struggling to afford any health care.

Most of us in the Senate know this. The CHIP program has had strong Republican support, and I particularly thank Senator GRASSLEY and Senator HATCH, who cosponsored the original 1997 bill, and have been working so hard with Senator BAUCUS and Senator ROCKEFELLER since.

But even with that bipartisan support in the Senate, President Bush has complained about the bill that passed. As an excuse to delay the program, he and a few Republican supporters say we have been unwilling to work with them. They say it will increase costs. I am here to say that is not the case. Despite what the President says, we listened to their concerns, and in this bill that is now before the Senate we address those concerns.

This bill we are now considering addresses the concerns we heard over and

over that children of illegal immigrants will be covered by requiring that States not only verify names and Social Security numbers, but they also check citizenship information in the Social Security Administration's database. So that issue is gone.

Secondly, it ends the coverage of childless adults by the end of 1 year. So that issue is gone.

Finally, this bill concentrates on making sure the poorest kids get covered first. So that issue is gone.

This bill also helps bridge the gap for another 3.9 million children whose parents cannot afford insurance. And this program is paid for. I want to say that again. This program is paid for.

President Bush just asked us to borrow $196 billion for the war in Iraq and Afghanistan for this year alone. But he opposes children's health insurance, even though we found a way to pay for every penny of it for the next 5 years. The $35 billion cost for CHIP's initiatives comes solely from a 61-cent excise tax increase on cigarettes and other tobacco products. No other programs are cut. Social Security is not raided. We are not increasing the deficit. Not only will this provide millions of children with health care, experts actually estimate it is going to get 1.7 million adults to quit smoking and prevent millions of kids from ever getting hooked. So this is good for our kids' health care now, and it is going to make a lot of kids healthier in the future.

Children's health should not be about politics. I have said this over and over. It is about making sure kids see a doctor when they need to. Kids are not Democrats; they are not Republicans. They are just kids who deserve health care.

Unfortunately, President Bush has let health care for our children get caught up in a desperate attempt to appeal to his dwindling number of supporters.

We know CHIP is the right thing to do. Americans know it is the right thing to do. More than 65 percent of them oppose President Bush's veto.

So to President Bush—and to any of our colleagues out there who still see this as a debate over politics and numbers—I want to remind you once more of a little girl who is 9 years old whose name is Sydney and the millions of other kids out there who depend on us to do the right thing.

Sydney is still fighting cystic fibrosis, and her mom is still wondering whether she will be able to take care of her in the future. I hope we can tell her that we will.

So on behalf of Sydney, on behalf of the 73,000 uninsured children in my State alone, and the more than 8 million children in this country, I thank all of my colleagues who worked so hard on this bill and supported it to this point. I urge the President to stop blocking this critical program for our kids.

Mr. President, I yield the floor.

MORNING BUSINESS

Mrs. MURRAY. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PASSENGER RAIL INVESTMENT AND IMPROVEMENT ACT

Mrs. CLINTON. Mr. President, I am in support of the Passenger Rail Investment and Improvement Act of 2007.

The passage of this critical legislation is truly a great achievement. For New Yorkers, Amtrak is not just a commodity but a life source. Passenger rail is an essential element of our transportation network that provides irreplaceable capacity and mobility to New York and the Nation. For the past near 7 years, we have had to fight the administration's constant attempts to privatize and dismantle our Nation's premier passenger rail service, Amtrak. Eliminating Amtrak service would be an economic disaster and an irresponsible policy.

Today, as gas prices continue to climb and airline delays are at an all-time high, Amtrak not only provides a necessary and affordable alternative to our congested airways, it links commuters to local locations not serviced by the airline industry. The enactment of Passenger Rail Investment and Improvement Act of 2007 will end the stop-gap funding process for Amtrak and will provide the traveling public with the security of a comprehensive plan for improving our nation's passenger rail system.

No country in the world has ever developed and maintained a successful passenger railroad system without assistance from their national government. Without offering an alternative, President Bush has aimed to simply shut down passenger rail in the US.

This plan will authorize $19.2 billion in Federal funds for Amtrak by providing $3.2 billion over the next 6 years and will allow Amtrak to make critical repairs and improvements to its service. Funding under this legislation will allow Amtrak to implement a comprehensive plan that will enhance rail security, reduce train delays, and improve customer service. It will also provide sufficient funding and direction to bring the Northeast corridor up to a ''state-of-good-repair,'' including vital tunnel life safety work in the Hudson River Tunnels.

In recent years, attempts by Congress to improve and modernize Amtrak's operations were stalled by the Republican-controlled House, and earlier this year the President proposed cutting $493 million, more than 38 percent of Amtrak's operating funds. This sort of backward thinking would have severely jeopardized Amtrak's ability to serve their passenger lines in New York and throughout the Northeast.

Mr. President, in the State of New York, Amtrak operates 140 routes, employs more than 1,900 people, and has 2 of the top 10 busiest stations in their rail system. Amtrak is an integral part of our transportation infrastructure and continues to service parts of the State that need the influx of tourists, business travelers, and others. The future without Amtrak for New York would be devastating.

I am proud that the full Senate has rejected the administration's approach to Amtrak. As an original cosponsor of this legislation, I commend Senator LAUTENBERG and Senator LOTT for their leadership in steering this critically important legislation through the Senate. As an original cosponsor of this legislation, I am pleased that my Senate colleagues have voted overwhelmingly to continue to provide critical funding for Amtrak, and I look forward to this legislation being signed into law.

Mr. WHITEHOUSE. Mr. President, yesterday, the Senate made a strong and long-overdue investment in the future of public transit in Rhode Island and throughout the country. I am pleased to have cast my vote for the passage of the Passenger Rail Investment and Improvement Act of 2007 (PRIIA), which will guide the maintenance, growth, and funding of the railroad through Fiscal Year 2012.

Each year, over 12 million business and leisure travelers depend on Amtrak's Northeast Corridor service, which connects the great cities of New England and the Mid-Atlantic states. Providence is a vital link on this route, with more than half a million Amtrak passengers boarding and departing Amtrak trains in the city each year. Also on the Northeast corridor route are Kingston and Westerly, Rhode Island. Kingston is home to the University of Rhode Island, and Amtrak gives students, faculty, researchers, and visitors direct access to this thriving college town. The Westerly station provides rail service to residents of both Rhode Island and Connecticut who rely on public transportation.

Despite its importance to millions of travelers, the Northeast Corridor has fallen into a state of disrepair in recent years. The infrastructure on this route is some of the oldest in the Nation, and a revitalization plan has been necessary for some time. This new Amtrak bill includes a strategy to restore the route to good condition by September of 2012—the first capital development plan put in place since Amtrak's previous authorization expired 5 years ago—and authorizes full federal funding of necessary repairs and upgrades. The Amtrak bill also authorizes the formation of a commission to oversee the operation and maintenance of the Northeast Corridor. The commission will include Amtrak, the Federal Railroad Administration, and each state along the route. I am pleased that Rhode Island will have a voice in future planning for a resource so vital to us.

In addition to funding operations and capital improvements, the Amtrak bill also addresses the congestion experienced on so many of the system's routes. By law, Amtrak passenger trains have the right of way over private freight trains, but this preference is often ignored. The bill the Senate passed today permits the Surface Transportation Board to assess fines against non-compliant freight railroads and to distribute damages to Amtrak. Congestion has increased in recent years, especially along the Northeast Corridor, and this provision should lead to fewer and shorter delays for passengers.

Finally, let us celebrate a piece of good Rhode Island news—I have been informed that the escalators in the Providence train station, which have been broken and covered with dust since early 2005, are scheduled to be reopened and in service by the week of November 12.

I congratulate Senators FRANK LAUTENBERG of New Jersey and TRENT LOTT of Mississippi on the passage of this critical piece of legislation. I also want to recognize the contributions of Rhode Island's own Senator JACK REED, who has been a strong and constant advocate for Amtrak. The new resources and clear development plan outlined in this bill reaffirm Congress's commitment to passenger rail service in the United States.

MATTHEW SHEPARD ACT OF 2007

Mr. SMITH. Mr. President, I wish to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

In the early hours of October 19, 2007, a 28-year-old man was shot at allegedly because of his sexual orientation. The victim and a friend left a gay bar in Midtown Atlanta, GA, for a gas station down the street at about 3 a.m. At that time, a sport utility vehicle with three men inside pulled into the gas station's parking lot. One of the vehicle's passengers was allegedly intoxicated and complaining to customers about the number of gay people at the gas station, using antigay epithets. Some of the man's behavior is caught on surveillance tapes at the station. The victim and his friend began to walk back to the bar after a short stay at the gas station and were followed by the men in the vehicle. As they walked by the bar, the man who appeared intoxicated shot at them four or five times, grazing the victim with a bullet that had ricocheted off the building. While Georgia does not have a hate crime law, the shooting is being investigated as an antigay incident.

I believe that the Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Matthew Shepard Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

FIRES OF SOUTHERN CALIFORNIA 2007

Mrs. BOXER. Mr. President, over the past 2 weeks, residents of San Bernardino, San Diego, Orange, Los Angeles, Ventura, Riverside, and Santa Barbara counties in southern California have faced some of the most horrific wildland fires in California's recorded history. At one point, as many as 1 million Californians were forced from their homes and communities by flames driven by Santa Ana winds of up to 100 miles per hour.

To date, 14 people have lost their lives, almost 3,000 structures, two-thirds of them homes, have been destroyed and more than 500,000 acres have burned. Over 100 people have been injured, some seriously. The consequences to people's lives will be long term, and we will do everything we can to bring comfort to victims and regeneration to affected communities.

Throughout these fires, which are only now being subdued, thousands of firefighters, mostly Californians, but some from other States, have been on the front lines working around the clock to defeat the fires. They have been tireless and fearless. We owe these California firefighters, and those who traveled across the country, our deepest thanks and appreciation. Whether it was saving the lives of people in the path of the flames, or making a stand to protect a neighborhood or a whole town, these brave men and women were there selflessly doing their duty. CalFire, the California National Guard, county and local fire agencies worked tirelessly to get the job done.

Thankfully, there has been no loss of firefighter lives, though several of our firefighters were injured, and to them I send my best wishes for a full recovery.

I hope that today we all can recognize our firefighters' valor and steadfastness in the face of the threat. We must also commit ourselves to standing up for their health and welfare as they face health challenges that sometimes last a lifetime. They do a very difficult job and we must do everything possible to assure they have all the support necessary so that they can continue to be there when the next threat presents itself.

SOMALIA

Mr. FEINGOLD. Mr. President, I have come to this floor many times over the years to urge increased U.S. attention and resources to Somalia. Meanwhile, the United States and the international community at large have continued to respond sporadically and clumsily to the steady deterioration of Somalia's security, humanitarian, and political situations. In January, I said that we had only a very limited window to establish the conditions necessary for stability in Somalia and the volatile Horn of Africa region, but I fear that opportunity may soon be lost. Events over the past few days suggest that strong but inclusive leadership is needed now if Somalia is to avoid the worst descent into chaos of its tumultuous history.

This weekend saw a massive setback in Somalia's security and humanitarian situation as a fresh outbreak of fighting which aid workers describe as the worst violence in months—forced tens of thousands more Somalis from their homes in Mogadishu. Most of these people are seeking refuge in communities whose coping capacities are already at the breaking point due to the strain of providing food, water, protection, shelter, and basic services to more than 300,000 existing internally displaced persons. Some of the newly displaced have fled to areas where there is little or no access by humanitarian agencies.

Forty of these aid organizations that are operating against all odds in Somalia released a statement yesterday highlighting the dramatic deterioration of the humanitarian situation and their increasing inability to effectively respond due to security and access constraints. They are calling on the international community and all parties to the present conflict to demonstrate a commitment to protect civilians, to facilitate the delivery of aid, and to respect humanitarian space and the safety of humanitarian workers. I want to take this moment to honor the courageous individuals and their sponsoring organizations for their persistent service to the innocent civilians most affected by the ongoing instability in Somalia and to echo their appeal for concerted action to support their work and the broader objective of peace for Somalia.

Amidst this dark backdrop there is a glimmer of hope for progress. On Monday, the embattled Foreign Minister of Somalia's fragile transitional federal government, Ali Mohamed Gedi, resigned amid feverish political infighting. Since its formation 3 years ago, the TFG has suffered from a lack of public legitimacy due to its inability to effectively represent and provide security and services to the Somali people. The appointment of a new Prime Minister is likely to be the last chance for this transitional government to restore some credibility and move forward with political reconciliation. I encourage all parties to seize this opportunity for progress towards a solution to the country's deepening crisis.

In January, I warned that without concerted international and national action, Somalia could deteriorate into what it has been since the early 1990s—a haven for terrorists and warlords and a source of crippling instability in a

critical region. But as tensions between Ethiopia and Eritrea rise once again, the ongoing humanitarian needs of civilians in the Ogaden region of Ethiopia reach international attention, and the Comprehensive Peace Agreement in Sudan stands on extremely fragile ground, I fear that our failure to protect civilians, defeat extremists, and build conditions for stability in Somalia could result in an even more disastrous outcome with consequences that extend far beyond the porous borders of this besieged nation. We cannot afford to squander this chance for progress towards peace.

INAUGURAL ADDRESS OF DREW GILPIN FAUST

Mr. KENNEDY. Mr. President, it is a privilege to draw the attention of my colleagues to the inauguration earlier this month of Dr. Drew Gilpin Faust as the 28th president of Harvard University.

Unfortunately, because of my recent surgery, I was not able to attend the ceremony, but I read with great interest the eloquent and inspring address of Dr. Faust at that ceremony.

Dr. Faust, an historian of the Civil War and former dean of the Radcliffe Institute, made history herself by becoming the first woman to serve as president of this outstanding university.

Others who spoke on this occasion included our Massachusetts Governor, Deval Patrick, historian John Hope Franklin, University of Pennsylvania president Amy Gutmann, where Dr. Faust spent much of her brilliant career, and author Tony Morrison.

Present also were three of Dr. Faust's distinguished predecessors, Derek Bok, Neil Rudenstine, and Lawrence Summers, as well as distinguished representatives of other major colleges and universities in the United States and throughout the world.

Last month, Senator DOLE, Congressman PETRI, Congressman FRANK, Congressman CAPUANO, and I had the privilege of hosting a reception in the Senate's Mansfield Room to honor and welcome Dr. Faust. A number of our colleagues attended as well, and we all look forward to working with Dr. Faust, especially on higher education issues, in the years ahead.

Dr. Faust is obviously an excellent choice by Harvard. She grew up in the Shenandoah Valley in Virginia, and attended Concord Academy in Massachusetts. After earning her BA from Bryn Mawr College, she continued her education at the University of Pennsylvania, where she earned her M.A. and Ph.D. in American civilization and served on the faculty there for 26 years, earning wide renown as a leading historian of the Civil War and the American South. In 2001 she became the first dean of the Radcliffe Institute for Advanced Study at Harvard, and was appointed as Harvard's Abraham Lincoln Professor of History.

Her scholarship has been focused on the past, but almost from the beginning she has been committed as well to solving the problems of the present and making the world a better place for the future.

As a child in Virginia, she was appalled by the racism in her own community. At the age of nine, she wrote a letter to President Eisenhower opposing segregation.

In high school, she went to Eastern Europe one summer and spent weekends volunteering in a program to help the poor. She was elected senior class president and was so widely respected that the school's new headmaster sought her advice about the school.

In her freshman year at Bryn Mawr College, she was outraged when peaceful protesters against segregation in Selma were brutally clubbed and gassed by the police—so she skipped her midterm exams to go there and join the protest.

At the University of Pennsylvania, she dedicated much of her time and energy to the cause of women in academic life. She chaired the university's Women's Studies Program, and worked skillfully to see that women candidates for the faculty were considered fully and fairly.

Through it all, Dr. Faust won well-deserved renown for her scholarship. She became one of the Nation's preeminent historians of the South, bringing new light to topics such as plantation agriculture and the life of southern intellectuals. Her landmark 1996 book, ''Mothers of Invention,'' made her the first to demonstrate that women had a significant impact on the outcome of the Civil War. For that pioneering study, she received the Francis Parkman Prize for the year's best work of history.

For the past 7 years, Dr. Faust has been the ''mother of invention'' at the Radcliffe Institute, skillfully guiding Radcliffe's transformation into one of the Nation's foremost research centers for established and emerging scholars in all disciplines, and still maintaining its special and long-standing role in the study of women, gender and society.

As Dr. Faust has said, our shared enterprise now, as people connected to Harvard, is to make the future of this extraordinary university even more remarkable than its past. And with the distinguished leadership of Dr. Faust, there is no doubt it will be.

I still remember the old inscription on the Dexter Gate in Harvard Yard: ''Enter to grow in wisdom. Depart to serve better thy country and all mankind.'' I am sure President Faust will give new power to these words in our day and generation.

I wish President Faust well as she assumes this extraordinary responsibility, and I believe all of us in Congress will be interested in her eloquent and inspiring address on the historic occasion of her inauguration. It is an auspicious new beginning for Harvard, and I ask unanimous consent that her address be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNLEASHING OUR MOST AMBITIOUS IMAGININGS

(Inaugural Address of President Drew Gilpin Faust as President of Harvard University, Cambridge, Massachusetts, October 12, 2007)

I stand honored by your trust, inspired by your charge. I am grateful to the Governing Boards for their confidence, and I thank all of you for gathering in these festival rites. I am indebted to my three predecessors, sitting behind me, for joining me today. But I am grateful to them for much more—for all that they have given to Harvard and for what each of them has generously given to me—advice, wisdom, support. I am touched by the greetings from staff, faculty, students, alumni, universities, from our honorable Governor, and from the remarkable John Hope Franklin, who has both lived and written history. I am grateful to the community leaders from Boston and Cambridge who have come to welcome their new neighbor. I am a little stunned to see almost every person I am related to on earth sitting in the front rows. And I would like to offer a special greeting of my own to my teachers who are here—teachers from grade school, high school, college and graduate school—who taught me to love learning and the institutions that nurture it.

We gather for a celebration a bit different from our June traditions. Commencement is an annual rite of passage for thousands of graduates; today marks a rite of passage for the University. As at Commencement, we don robes that mark our ties to the most ancient traditions of scholarship. On this occasion, however, our procession includes not just our Harvard community, but scholars—220 of them—representing universities and colleges from across the country and around the world. I welcome and thank our visitors, for their presence reminds us that what we do here today, and what we do at Harvard every day, links us to universities and societies around the globe.

NEW BEGINNINGS

Today we mark new beginnings by gathering in solidarity; we celebrate our community and its creativity; we commit ourselves to Harvard and all it represents in a new chapter of its distinguished history. Like a congregation at a wedding, you signify by your presence a pledge of support for this marriage of a new president to a venerable institution. As our colleagues in anthropology understand so well, rituals have meanings and purposes; they are intended to arouse emotions and channel intentions. In ritual, as the poet Thomas Lynch has written, ''We act out things we cannot put into words.'' But now my task is in fact to put some of this ceremony into words, to capture our meanings and purposes.

Inaugural speeches are a peculiar genre. They are by definition pronouncements by individuals who don't yet know what they are talking about. Or, we might more charitably dub them expressions of hope unchastened by the rod of experience.

A number of inaugural veterans—both orators and auditors—have proffered advice, including unanimous agreement that my talk must be shorter than Charles William Eliot's—which ran to about an hour and a half. Often inaugural addresses contain lists—of a new president's specific goals or programs. But lists seem too constraining when I think of what today should mean; they seem a way of limiting rather than unleashing our most ambitious imaginings, our profoundest commitments.

If this is a day to transcend the ordinary, if it is a rare moment when we gather not just as Harvard, but with a wider world of scholarship, teaching and learning, it is a time to reflect on what Harvard and institutions like it mean in this first decade of the 21st century.

Yet as I considered how to talk about higher education and the future, I found myself—historian that I am—returning to the past and, in particular, to a document I encountered in my first year of graduate school. My cousin Jack Gilpin, Class of '73, read a section of it at Memorial Church this morning. As John Winthrop sat on board the ship Arabella in 1630, sailing across the Atlantic to found the Massachusetts Bay Colony, he wrote a charge to his band of settlers, a charter for their new beginnings. He offered what he considered ''a compass to steer by''—a ''model,'' but not a set of explicit orders. Winthrop instead sought to focus his followers on the broader significance of their project, on the spirit in which they should undertake their shared work. I aim to offer such a ''compass'' today, one for us at Harvard, and one that I hope will have meaning for all of us who care about higher education, for we are inevitably, as Winthrop urged his settlers to be, ''knitt together in this work as one.''

AMERICAN HIGHER EDUCATION TODAY

American higher education in 2007 is in a state of paradox—at once celebrated and assailed. A host of popular writings from the 1980s on have charged universities with teaching too little, costing too much, coddling professors and neglecting students, embracing an ''illiberalism'' that has silenced open debate. A PBS special in 2005 described a ''sea of mediocrity'' that ''places this nation at risk.'' A report issued by the U.S. Department of Education last year warned of the ''obsolescence'' of higher education as we know it and called for federal intervention in service of the national interest.

Yet universities like Harvard and its peers, those represented by so many of you here today, are beloved by alumni who donate billions of dollars each year, are sought after by students who struggle to win admission, and, in fact, are deeply revered by the American public. In a recent survey, 93 percent of respondents considered our universities ''one of [the country's] most valuable resources.'' Abroad, our universities are admired and emulated; they are arguably the American institution most respected by the rest of the world.

How do we explain these contradictions? Is American higher education in crisis, and if so, what kind? What should we as its leaders and representatives be doing about it? This ambivalence, this curious love-hate relationship, derives in no small part from our almost unbounded expectations of our colleges and universities, expectations that are at once intensely felt and poorly understood.

THE POWER OF EDUCATION

From the time of its founding, the United States has tied its national identity to the power of education. We have long turned to education to prepare our citizens for the political equality fundamental to our national self-definition. In 1779, for example, Thomas Jefferson called for a national aristocracy of talent, chosen ''without regard to wealth, birth, or other accidental condition of circumstance'' and ''rendered by liberal education . . . able to guard the sacred deposit of rights and liberties of their fellow-citizens.'' As our economy has become more complex, more tied to specialized knowledge, education has become more crucial to social and economic mobility. W.E.B. DuBois observed in 1903 that ''Education and work are the levers to lift up a people.'' Education makes the promise of America possible.

In the past half century, American colleges and universities have shared in a revolution, serving as both the emblem and the engine of the expansion of citizenship, equality and opportunity—to blacks, women, Jews, immigrants, and others who would have been subjected to quotas or excluded altogether in an earlier era. My presence here today—and indeed that of many others on this platform—would have been unimaginable even a few short years ago. Those who charge that universities are unable to change should take note of this transformation, of how different we are from universities even of the mid 20th century. And those who long for a lost golden age of higher education should think about the very limited population that alleged utopia actually served. College used to be restricted to a tiny elite; now it serves the many, not just the few. The proportion of the college age population enrolled in higher education today is four times what it was in 1950; twelve times what it was before the 1920s. Ours is a different and a far better world.

At institutions like Harvard and its peers, this revolution has been built on the notion that access should be based, as Jefferson urged, on talent, not circumstance. In the late 1960s, Harvard began sustained efforts to identify and attract outstanding minority students; in the 1970s, it gradually removed quotas limiting women to a quarter of the entering college class. Recently, Harvard has worked hard to send the message that the college welcomes families from across the economic spectrum. As a result we have seen in the past 3 years a 33 percent increase in students from families with incomes under $60,000. Harvard's dorms and Houses are the most diverse environments in which many of our students will ever live.

Yet issues of access and cost persist—for middle-class families who suffer terrifying sticker shock, and for graduate and professional students who may incur enormous debt as they pursue service careers in fields where salaries are modest. As graduate training comes to seem almost as indispensable as the baccalaureate degree for mobility and success, the cost of these programs takes on even greater importance.

The desirability and the perceived necessity of higher education have intensified the fears of many. Will I get in? Will I be able to pay? This anxiety expresses itself in both deep-seated resentment and nearly unrealizable expectations. Higher education cannot alone guarantee the mobility and equality at the heart of the American Dream. But we must fully embrace our obligation to be available and affordable. We must make sure that talented students are able to come to Harvard, that they know they are able to come, and that they know we want them here. We need to make sure that cost does not divert students from pursuing their passions and their dreams.

But American anxiety about higher education is about more than just cost. The deeper problem is a widespread lack of understanding and agreement about what universities ought to do and be. Universities are curious institutions with varied purposes that they have neither clearly articulated nor adequately justified. Resulting public confusion, at a time when higher education has come to seem an indispensable social resource, has produced a torrent of demands for greater ''accountability'' from colleges and universities.

UNIVERSITIES ARE ACCOUNTABLE TO THE PAST, PRESENT, AND FUTURE

Universities are indeed accountable. But we in higher education need to seize the initiative in defining what we are accountable for. We are asked to report graduation rates, graduate school admission statistics, scores on standardized tests intended to assess the ''value added'' of years in college, research dollars, numbers of faculty publications. But such measures cannot themselves capture the achievements, let alone the aspirations of universities. Many of these metrics are important to know, and they shed light on particular parts of our undertaking. But our purposes are far more ambitious and our accountability thus far more difficult to explain.

Let me venture a definition. The essence of a university is that it is uniquely accountable to the past and to the future—not simply or even primarily to the present. A university is not about results in the next quarter; it is not even about who a student has become by graduation. It is about learning that molds a lifetime, learning that transmits the heritage of millennia; learning that shapes the future. A university looks both backwards and forwards in ways that must—that even ought to—conflict with a public's immediate concerns or demands. Universities make commitments to the timeless, and these investments have yields we cannot predict and often cannot measure. Universities are stewards of living tradition—in Widener and Houghton and our 88 other libraries, in the Fogg and the Peabody, in our departments of classics, of history and of literature. We are uncomfortable with efforts to justify these endeavors by defining them as instrumental, as measurably useful to particular contemporary needs. Instead we pursue them in part ''for their own sake,'' because they define what has over centuries made us human, not because they can enhance our global competitiveness.

We pursue them because they offer us as individuals and as societies a depth and breadth of vision we cannot find in the inevitably myopic present. We pursue them too because just as we need food and shelter to survive, just as we need jobs and seek education to better our lot, so too we as human beings search for meaning. We strive to understand who we are, where we came from, where we are going and why. For many people, the four years of undergraduate life offer the only interlude permitted for unfettered exploration of such fundamental questions. But the search for meaning is a never-ending quest that is always interpreting, always interrupting and redefining the status quo, always looking, never content with what is found. An answer simply yields the next question. This is in fact true of all learning, of the natural and social sciences as well as the humanities, and thus of the very core of what universities are about.

By their nature, universities nurture a culture of restlessness and even unruliness. This lies at the heart of their accountability to the future. Education, research, teaching are always about change—transforming individuals as they learn, transforming the world as our inquiries alter our understanding of it, transforming societies as we see our knowledge translated into policies—policies like those being developed at Harvard to prevent unfair lending practices, or to increase affordable housing or avert nuclear proliferation—or translated into therapies, like those our researchers have designed to treat macular degeneration or to combat anthrax. The expansion of knowledge means change. But change is often uncomfortable, for it always encompasses loss as well as gain, disorientation as well as discovery. It has, as Machiavelli once wrote, no constituency. Yet in facing the future, universities must embrace the unsettling change that is fundamental to every advance in understanding.

OUR OBLIGATION TO THE FUTURE

We live in the midst of scientific developments as dramatic as those of any era since

the 17th century. Our obligation to the future demands that we take our place at the forefront of these transformations. We must organize ourselves in ways that enable us fully to engage in such exploration, as we have begun to do by creating the Broad Institute, by founding cross-school departments, by launching a School of Engineering and Applied Sciences. We must overcome barriers both within and beyond Harvard that could slow or constrain such work, and we must provide the resources and the facilities—like the new science buildings in both Cambridge and Allston—to support it. Our obligation to the future makes additional demands. Universities are, uniquely, a place of philosophers as well as scientists. It is urgent that we pose the questions of ethics and meaning that will enable us to confront the human, the social and the moral significance of our changing relationship with the natural world.

Accountability to the future requires that we leap geographic as well as intellectual boundaries. Just as we live in a time of narrowing distances between fields and disciplines, so we inhabit an increasingly transnational world in which knowledge itself is the most powerful connector. Our lives here in Cambridge and Boston cannot be separated from the future of the rest of the earth: we share the same changing climate; we contract and spread the same diseases; we participate in the same economy. We must recognize our accountability to the wider world, for, as John Winthrop warned in 1630, ''we must consider that we shall be as a city upon a hill. The eyes of all people are upon us.''

HARVARD AS A SOURCE AND SYMBOL

Harvard is both a source and a symbol of the ever expanding knowledge upon which the future of the earth depends, and we must take an active and reflective role in this new geography of learning. Higher education is burgeoning around the globe in forms that are at once like and unlike our own. American universities are widely emulated, but our imitators often display limited appreciation for the principles of free inquiry and the culture of creative unruliness that defines us.

The ''Veritas'' in Harvard's shield was originally intended to invoke the absolutes of divine revelation, the unassailable verities of Puritan religion. We understand it quite differently now. Truth is an aspiration, not a possession. Yet in this we—and all universities defined by the spirit of debate and free inquiry—challenge and even threaten those who would embrace unquestioned certainties. We must commit ourselves to the uncomfortable position of doubt, to the humility of always believing there is more to know, more to teach, more to understand.

The kinds of accountability I have described represent at once a privilege and a responsibility. We are able to live at Harvard in a world of intellectual freedom, of inspiring tradition, of extraordinary resources, because we are part of that curious and venerable organization known as a university. We need better to comprehend and advance its purposes—not simply to explain ourselves to an often critical public, but to hold ourselves to our own account. We must act not just as students and staff, historians and computer scientists, lawyers and physicians, linguists and sociologists, but as citizens of the university, with obligations to this commonwealth of the mind. We must regard ourselves as accountable to one another, for we constitute the institution that in turn defines our possibilities. Accountability to the future encompasses special accountability to our students, for they are our most important purpose and legacy. And we are responsible not just to and for this university, Harvard, in this moment, 2007, but to the very concept of the university as it has evolved over nearly a millennium.

It is not easy to convince a nation or a world to respect, much less support, institutions committed to challenging society's fundamental assumptions. But it is our obligation to make that case: both to explain our purposes and achieve them so well that these precious institutions survive and prosper in this new century. Harvard cannot do this alone. But all of us know that Harvard has a special role. That is why we are here; that is why it means so much to us.

Last week I was given a brown manila envelope that had been entrusted to the University Archives in 1951 by James B. Conant, Harvard's 23rd president. He left instructions that it should be opened by the Harvard president at the outset of the next century ''and not before.'' I broke the seal on the mysterious package to find a remarkable letter from my predecessor. It was addressed to ''My dear Sir.'' Conant wrote with a sense of imminent danger. He feared an impending World War III that would make ''the destruction of our cities including Cambridge quite possible.'' ''We all wonder,'' he continued, ''how the free world is going to get through the next fifty years.''

HARVARD'S FUTURE

But as he imagined Harvard's future, Conant shifted from foreboding to faith. If the ''prophets of doom'' proved wrong, if there was a Harvard president alive to read his letter, Conant was confident about what the university would be. ''You will receive this note and be in charge of a more prosperous and significant institution than the one over which I have the honor to preside . . . That . . . [Harvard] will maintain the traditions of academic freedom, of tolerance for heresy, I feel sure.'' We must dedicate ourselves to making certain he continues to be right; we must share and sustain his faith.

Conant's letter, like our gathering here, marks a dramatic intersection of the past with the future. This is a ceremony in which I pledge—with keys and seal and charter—my accountability to the traditions that his voice from the past invokes. And at the same time, I affirm, in compact with all of you, my accountability to and for Harvard's future. As in Conant's day, we face uncertainties in a world that gives us sound reason for disquiet. But we too maintain an unwavering belief in the purposes and potential of this university and in all it can do to shape how the world will look another half century from now. Let us embrace those responsibilities and possibilities; let us share them ''knitt together . . . as one;'' let us take up the work joyfully, for such an assignment is a privilege beyond measure.

LOSS OF SOUTH CAROLINA STUDENTS

Mr. GRAHAM. Mr. President, as we are confronted by the deep sadness of this tragic loss, may we never lose sight of the life, vitality, and youth that was suddenly taken from us on October 27, 2007, in Ocean Isle, NC. Today and in the difficult days to come, we offer our sincerest condolences to the family and friends of these seven young men and women. The University of South Carolina, Clemson University, and the State of South Carolina feel the immeasurable pain of losing seven of our most precious sons and daughters, and as the family South Carolinians are, we share in your grief and offer our love and support.

Not only do we mourn the loss of sons and daughters, but we mourn the loss of future leaders and scholars, peacemakers and trailblazers, parents and friends. The world was vastly open to these young men and women. I ask others to find the courage and resolve to fulfill their suspended hopes and dreams, ensuring that futures overcome flames and aspirations prevail over ashes.

Though it is grief that connects us now, let it be the spirit of their lives that forever bonds our community. We should honor these students by taking up the load they left for us to carry and seeing their earthly aspirations through to their full fruition.

XV PAN AMERICAN GAMES

Mr. DODD. Mr. President, it is with great pride that I join all of Connecticut in extending congratulations to the many young athletes who competed in the 15th Pan American Games, in Rio de Janeiro, Brazil. For over half a century, these games have brought together athletes from across the Western Hemisphere. This year 5,648 athletes from 49 countries came together in Rio to compete in 38 sports.

The Pan American games, similar to the Olympics, provide us another valuable opportunity to enjoy international athletic competition undertaken for pride and the love of the sport. By participating in the 15th Pan American Games, these young Americans have had an opportunity that few of their fellow Americans ever will—to join in competition with other young people from North, Central, and South America.

I would like to commend the 14 athletes from Connecticut who competed in the games: John Ball, Andrew Bolton, Eliza Cleveland, Reilley Dampeer, Robert Merrick, Alyssa Naeher, Todd Paul, Cara Raether, Geoffrey Rathgeber, Sarah Trowbridge, Karen Scavotto, Cameron Winklevoss, Tyler Winklevoss, Bartosz Wolski. It is with great pleasure and pride that I offer further congratulations to the Connecticut athletes who brought home three gold and five silver medals and one bronze medal. Without a doubt, the nine medals won by Connecticut's athletes contributed to America's overall victory at the 15th Pan American Games. It is my hope that these kinds of events will further unite our hemisphere.

ADDITIONAL STATEMENTS

CELEBRATING THE CENTENNIAL OF THE WAILUKU COURTHOUSE

● Mr. AKAKA. Mr. President, this month, the county of Maui celebrated the centennial anniversary of the historic Wailuku Courthouse. Built in 1907, the Wailuku Courthouse served as

the center of the judicial system on Maui for more than 80 years. Today, it is home to Maui County's Department of the Prosecuting Attorney.

The Hawaiian Organic Act, passed by Congress in 1900, created a system of governance for the new Territory of Hawaii. County governments were established along with a territorial court system. The town of Wailuku was selected as the seat of Maui's county government, making it the logical place to construct a new courthouse and other public buildings.

The contract to build the Wailuku Courthouse, at the cost of $23,312.40, was awarded to Angus P. McDonald in September 1907. Construction began the next month and was completed a year later. In 1909, the Honorable Judge Aluwae Noa Kepoikai became the first judge to preside over cases presented in the new Wailuku Courthouse.

As Hawaii and the county of Maui grew, so did the demand for legal services and the needs of the judiciary. In 1988, the State judicial system on Maui moved into a new building, and in 1991, plans were made to gut the courthouse. However, the county of Maui intervened and took control of the courthouse by way of a land swap with the State, saving the historic building and its interior. A $1.8 million restoration followed, and in 1993, Maui's Department of the Prosecuting Attorney moved into the newly renovated courthouse.

The historic courthouse has served the people of Maui for 100 years. The fact that it remains as both a working government building and as an architectural treasure of Hawaii's past is the result of the efforts of the many people who are to be commended and honored as we celebrate the centennial of the Wailuku Courthouse.●

RECOGNIZING MAJOR GENERAL HARRY B. BURCHSTEAD, JR.

● Mr. GRAHAM. Mr. President, today I ask the Senate to join me in recognizing Major General Harry B. Burchstead, Jr. on the occasion of his retirement from the South Carolina Army National Guard. Since entering the United States Army as a commissioned officer through the ROTC program at Clemson University, General Burchstead has remained a dedicated serviceman for his entire career. Immediately after his graduation from Clemson, General Burchstead loyally answered his call of duty and deployed for combat service in the Vietnam War.

After leaving active duty in 1971, General Burchstead went on to pursue his law degree at the University of South Carolina. While in law school, General Burchstead continued his military service by joining the South Carolina Army National Guard in 1972. For the next thirty-five years, General Burchstead proudly served the State of South Carolina as a traditional citizen soldier through many levels of military service.

In 1997, General Burchstead was appointed to serve as the Deputy Adjutant General of South Carolina. In this capacity, he was critical in advising the Adjutant General's oversight of the South Carolina Army and Air National Guard. For six years, General Burchstead's strategic and diligent counsel was integral to the effective military operations of our state's full-time servicemen and women.

As a distinguished leader, General Burchstead was selected to command the 263rd Army Air and Missile Defense Command in 2003. In his role as Commander, General Burchstead led Joint Task Force Cobra in its execution of the Juniper-Cobra Missile Defense Exercise in Israel. Additionally, General Burchstead was successful in commanding the Joint Project Optical Windmill Air and Missile Defense Exercise in Europe, as well as the U.S.-Russian Federation Missile Defense Exercise at Fort Bliss, Texas.

A dedicated patriot, General Burchstead formally retired from the South Carolina Army National Guard on September 30th, 2007. Over his thirty-five years of service General Burchstead has amassed numerous awards and decorations including the Legion of Merit, the Bronze Star Medal with two oak leaf clusters, the Purple Heart, the U.S. Meritorious Service Medal and the Army Commendation Medal. His military career will be forever marked by his selfless devotion and sacrifice to both our country and the State of South Carolina. I wish General Burchstead the very best in his retirement and ask that the United States Senate join me in thanking him for his lifelong career of service.●

CONGRATULATING FLOTATION TECHNOLOGIES

● Ms. SNOWE. Mr. President, I wish to congratulate Flotation Technologies, an extraordinary global leader in the design and production of deepwater buoyancy products from my home State of Maine. Flotation Technologies of Biddeford recently received the Manufacturing Excellence Award from the Maine Manufacturing Extension Partnership, MEP, for ''superior manufacturing practices'' that have successfully propelled the firm into the international market.

Flotation Technologies creates and manufactures syntactic foam buoyancy and polyurethane elastomer products for the offshore, oceanographic, and seismic industries, as well as for the U.S. military. Founded in 1979, the enterprise has been manufacturing syntactic foam longer than any other company in business today. This year, to meet the company's rapid expansion, Flotation Technologies relocated to a 45,000-square-foot facility in the Biddeford Industrial Park. The new facility will allow Flotation Technologies to install state-of-the-art automated production equipment that will triple production capacity.

This pioneering company makes extraordinarily resilient products for extreme environments. Flotation Technologies' buoys are lowered miles below the ocean surface, where they face up to 10,000 pounds of pressure per square inch, equivalent to the weight of a truck. They are as dense as oak, yet still relatively lightweight, and the buoys can survive under the frigid polar ice in the Arctic and under the searing heat in West Africa. These high-quality products were even relied upon to help shoot the 1997 Oscar-winning blockbuster movie ''Titanic.''

Flotation Technologies began as a small family enterprise, primarily serving scientists engaged in oceanographic and earthquake research. In 2002, as energy prices rose sharply, interest in offshore exploration grew rapidly. Flotation Technologies' buoyancy products are crucial to support the miles of flexible piping needed to extract resources from the ocean floor. In the last few years, the company has become a major supplier of these products, and most recently, Flotation Technologies won a $4.1 million contract to build buoyancy modules for Frontier Drilling, a Houston oil company.

Expansion into this business has been a rewarding endeavor, and Flotation Technologies is setting its sights on further growth. The firm currently employs 42 people in Maine, and they expect to add at least 10 more employees by the end of the year. Revenues are expected to hit $10.5 million this year, and management is aiming for $30 million in sales within 3 years. Flotation Technologies recently worked with the Maine MEP to develop a strategic business plan that dramatically improved the efficiency of its operations. The Maine MEP is part of a nationwide network of technical, manufacturing, and business specialists linked together through the U.S. Department of Commerce. By implementing the Maine MEP's streamlining techniques, the company was able to double sales for 2006.

Despite such impressive growth, Flotation Technologies has remained in the hands of a tightly-knit group of family members. Tim Cook, the current president, is the son of the company's founder, David Cook. As Tim notes, his family has ''put it all on the line'' for this venture for nearly 30 years. I congratulate Tim and his family on their success and wish them well in the years to come. Their dedicated entrepreneurial spirit is very much a part of what makes our Nation great, and I am proud to have them in my home State of Maine.●

MEASURES PLACED ON THE CALENDAR

The following bills were read the second time, and placed on the calendar:

H.R. 2295. An act to amend the Public Health Service Act to provide for the establishment of an Amyotrophic Lateral Sclerosis Registry.

S. 2264. A bill to amend the Internal Revenue Code of 1986 to extend for 2 years the tax-free distributions from individual retirement plans for charitable purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–3794. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Oriental Fruit Fly; Addition and Removal of Quarantined Areas in California'' (Docket No. APHIS–2006–0151) received on October 26, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3795. A communication from the Administrator, Risk Management Agency, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Common Crop Insurance Regulations; Fresh Market Sweet Corn Crop Insurance Provisions'' (RIN0563–AC02) received on October 26, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3796. A communication from the Director of Defense Research and Engineering, Department of Defense, transmitting, pursuant to law, notification of the Department's intent to fund Foreign Comparative Testing projects during fiscal year 2008; to the Committee on Armed Services.

EC–3797. A communication from the Under Secretary for Industry and Security, Department of Commerce, transmitting, pursuant to law, a report relative to the Department's intent to impose new foreign policy-based export controls on certain persons in Burma; to the Committee on Banking, Housing, and Urban Affairs.

EC–3798. A communication from the Associate Director, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Global Terrorism Sanctions Regulations; Terrorism Sanctions Regulations; Foreign Terrorist Organizations Sanctions Regulations'' (31 CFR Parts 594, 595, and 597) received on October 25, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3799. A communication from the Chairman, Board of Governors, Federal Reserve System, transmitting, pursuant to law, a report relative to credit availability for small businesses; to the Committee on Banking, Housing, and Urban Affairs.

EC–3800. A communication from the Principal Deputy Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, a report relative to the Department's view on the Sudan Accountability and Divestment Act; to the Committee on Banking, Housing, and Urban Affairs.

EC–3801. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled ''Member Inspection of Credit Union Books, Records, and Minutes'' (RIN3133–AD33) received on October 29, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3802. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled ''Share Insurance Appeals; Clarification of Enforcement Authority of NCUA Board'' (12 CFR Parts 745 and 747) received on October 29, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3803. A communication from the Associate Director, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Final Rule Amending the Sudanese Sanctions Regulations to Implement Executive Order 13412'' (31 CFR Part 538) received on October 26, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3804. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Final Flood Elevation Determinations'' (72 FR 57245) received on October 26, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3805. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations'' (72 FR 57241) received on October 26, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3806. A communication from the Chairman and President, Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving the export of thirty Boeing 737–900ER passenger aircraft to Indonesia; to the Committee on Banking, Housing, and Urban Affairs.

EC–3807. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Suspension of Community Eligibility'' (72 FR 58020) received on October 26, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3808. A communication from the Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, a biennial report relative to the use of federal assistance provided to the states and Interstate Marine Fisheries Commissions; to the Committee on Commerce, Science, and Transportation.

EC–3809. A communication from the Acting General Counsel, Consumer Product Safety Commission, transmitting, pursuant to law, the report of a rule entitled ''Safety Standard for Automatic Residential Garage Door Operators'' (RIN3041–AC42) received on October 25, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3810. A communication from the Attorney, Office of Assistant General Counsel for Legislation and Regulatory Law, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Energy Conservation Program for Commercial Equipment: Distribution Transformers Energy Conservation Standards'' (RIN1904–AB08) received on October 26, 2007; to the Committee on Energy and Natural Resources.

EC–3811. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled, ''The Potential Benefits of Distributed Generation and the Rate-Related Issues that May Impede its Expansion''; to the Committee on Energy and Natural Resources.

EC–3812. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Annual Pension Plan, etc., Cost-of-Living Adjustments for 2008'' (Notice 2007–87) received on October 25, 2007; to the Committee on Finance.

EC–3813. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, an interim feasibility report and environmental impact statement relative to several levee projects; to the Committee on Environment and Public Works.

EC–3814. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled ''Hague Convention on Intercountry Adoption; Intercountry Adoption Act of 2000; Consular Office Procedures in Convention Cases'' (RIN1400–AC40) received on October 26, 2007; to the Committee on Foreign Relations.

EC–3815. A communication from the Deputy Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, an erratum notice relative to a report on the employment of an adequate number of Americans during 2006 by the United Nations; to the Committee on Foreign Relations.

EC–3816. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the Government of Cuba's compliance with several agreements made between it and the United States; to the Committee on Foreign Relations.

EC–3817. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case-Zablocki Act, 1 U.S.C. 112b, as amended, the report of the texts and background statements of international agreements, other than treaties (List 2007–213–2007–220); to the Committee on Foreign Relations.

EC–3818. A communication from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled ''Default Investment Alternatives under Participant Directed Individual Account Plans'' (RIN1210–AB10) received on October 25, 2007; to the Committee on Health, Education, Labor, and Pensions.

EC–3819. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Management Costs, Interim Final Rule'' ((RIN1660–AA21)(FEMA–2006–0035)) received on October 25, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3820. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–133, ''Bank Charter Modernization Amendment Act of 2007'' received on October 26, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3821. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–132, ''Child's Right to Nurse Human Rights Amendment Act of 2007'' received on October 26, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3822. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–131, ''Homestead Housing Preservation Amendment Act of 2007'' received on October 26, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3823. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–164, ''District of Columbia Free Clinic Captive Insurance Company Establishment Temporary Act of 2007'' received on October 26, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3824. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–165, ''Energy Efficiency Standards Act of 2007'' received on October 26, 2007;

to the Committee on Homeland Security and Governmental Affairs.

EC–3825. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–163, ''Closing of a Public Alley in Square 452, S.O. 06–1034 Act of 2007'' received on October 26, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3826. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–162, ''Quality Teacher Incentive Clarification Act of 2007'' received on October 26, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3827. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–134, ''Closing of a Portion of 8th Street, S.E., and the Public Alley in Squares 5956 and W–5956, S.O. 05–4555, Act of 2007'' received on October 26, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3828. A communication from the Director of Legislative Affairs, Office of the Director of National Intelligence, transmitting, pursuant to law, the report of action on a nomination for the position of Principal Deputy Director of National Intelligence, received on October 25, 2007; to the Select Committee on Intelligence.

EC–3829. A communication from the White House Liaison, Office of Justice Programs, Department of Justice, transmitting, pursuant to law, the report of a vacancy and designation of an acting officer for the position of Assistant Attorney General, received on October 25, 2007; to the Committee on the Judiciary.

EC–3830. A communication from the Administrator, Small Business Administration, transmitting, pursuant to law, a report relative to the Administration's Strategic Plan for fiscal years 2008 to 2013; to the Committee on Small Business and Entrepreneurship.

EC–3831. A communication from the Assistant Secretary for Administration and Management, Office of the Chief Financial Officer, Department of Labor, transmitting, pursuant to law, the report of a nomination for the position of Chief Financial Officer, received on October 25, 2007; to the Committee on Health, Education, Labor, and Pensions.

EC–3832. A communication from the Assistant Secretary for Administration and Management, Bureau of Labor Statistics, Department of Labor, transmitting, pursuant to law, the report of a nomination and designation of an acting officer for the position of Commissioner of Labor Statistics, received on October 25, 2007; to the Committee on Health, Education, Labor, and Pensions.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DODD, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2271. An original bill to authorize State and local governments to divest assets in companies that conduct business operations in Sudan, to prohibit United States Government contracts with such companies, and for other purposes (Rept. No. 110–213).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. BIDEN for the Committee on Foreign Relations.

*Daniel D. Heath, of New Hampshire, to be United States Alternate Executive Director of the International Monetary Fund for a term of two years.

*Sean R. Mulvaney, of Illinois, to be an Assistant Administrator of the United States Agency for International Development.

*Patrick Francis Kennedy, of Illinois, a Career Member of the Senior Foreign Service, Class of Career Minister, to be an Under Secretary of State (Management).

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Ms. KLOBUCHAR (for herself and Ms. MIKULSKI):

S. 2267. A bill to amend the Internal Revenue Code of 1986 to provide an income tax credit for eldercare expenses; to the Committee on Finance.

By Ms. KLOBUCHAR (for herself and Ms. MIKULSKI):

S. 2268. A bill to require issuers of long term care insurance to establish third party review processes for disputed claims; to the Committee on Health, Education, Labor, and Pensions.

By Mr. JOHNSON (for himself and Mr. THUNE):

S. 2269. A bill to reauthorize the Mni Wiconi Rural Water Supply Project; to the Committee on Energy and Natural Resources.

By Ms. STABENOW (for herself and Mr. COCHRAN):

S. 2270. A bill to include health centers in the list of entities eligible for mortgage insurance under the National Housing Act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DODD:

S. 2271. An original bill to authorize State and local governments to divest assets in companies that conduct business operations in Sudan, to prohibit United States Government contracts with such companies, and for other purposes; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

By Mr. VITTER:

S. 2272. A bill to designate the facility of the United States Postal Service known as the Southpark Station in Alexandria, Louisiana, as the John ''Marty'' Thiels Southpark Station, in honor and memory of Thiels, a Louisiana postal worker who was killed in the line of duty on October 4, 2007; to the Committee on Homeland Security and Governmental Affairs.

By Mr. AKAKA (by request):

S. 2273. A bill to enhance the functioning and integration of formerly homeless veterans who reside in permanent housing, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BIDEN (for himself, Mr. GRASSLEY, Mr. DURBIN, and Mrs. FEINSTEIN):

S. 2274. A bill to amend the Controlled Substances Act to prevent the abuse of dextromethorphan, and for other purposes; to the Committee on the Judiciary.

By Mrs. FEINSTEIN:

S. 2275. A bill to prohibit the manufacture, sale, or distribution in commerce of certain children's products and child care articles that contain phthalates, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DODD (for himself, Mr. VOINOVICH, and Mr. WARNER):

S. 2276. A bill to enhance United States competitiveness in aeronautics, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SMITH (for himself, Mr. KOHL, and Mrs. FEINSTEIN):

S. 2277. A bill to amend the Internal Revenue Code of 1986 to increase the limitation on the issuance of qualified veterans' mortgage bonds for Alaska, Oregon, and Wisconsin and to modify the definition of qualified veteran; to the Committee on Finance.

By Mr. DURBIN (for himself, Mr. OBAMA, and Mr. SCHUMER):

S. 2278. A bill to improve the prevention, detection, and treatment of community and healthcare-associated infections (CHAI), with a focus on antibiotic-resistant bacteria; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BIDEN (for himself and Mr. LUGAR):

S. 2279. A bill to combat international violence against women and girls; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MCCONNELL (for himself, Mr. REID, and Mr. BENNETT):

S. Res. 361. A resolution to permit the collection of donations in Senate buildings to be sent to United States military personnel on active duty overseas participating in or in support of Operation Iraqi Freedom, Operation Enduring Freedom, and the war on terrorism; considered and agreed to.

By Mr. HARKIN (for himself and Mr. CHAMBLISS):

S. Res. 362. A resolution recognizing 2007 as the year of the 100th Anniversary of the American Society of Agronomy; considered and agreed to.

ADDITIONAL COSPONSORS

S. 367

At the request of Mr. DORGAN, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 367, a bill to amend the Tariff Act of 1930 to prohibit the import, export, and sale of goods made with sweatshop labor, and for other purposes.

S. 450

At the request of Ms. STABENOW, her name was added as a cosponsor of S. 450, a bill to amend title XVIII of the Social Security Act to repeal the medicare outpatient rehabilitation therapy caps.

At the request of Mr. ENSIGN, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 450, supra.

S. 667

At the request of Mrs. CLINTON, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 667, a bill to expand programs of early childhood home visitation that increase school readiness, child abuse

and neglect prevention, and early identification of developmental and health delays, including potential mental health concerns, and for other purposes.

S. 694

At the request of Mrs. CLINTON, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 694, a bill to direct the Secretary of Transportation to issue regulations to reduce the incidence of child injury and death occurring inside or outside of light motor vehicles, and for other purposes.

S. 714

At the request of Mr. AKAKA, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 714, a bill to amend the Animal Welfare Act to ensure that all dogs and cats used by research facilities are obtained legally.

S. 773

At the request of Mr. WARNER, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 773, a bill to amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax basis and to allow a deduction for TRICARE supplemental premiums.

S. 803

At the request of Mr. ROCKEFELLER, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 803, a bill to repeal a provision enacted to end Federal matching of State spending of child support incentive payments.

S. 887

At the request of Mrs. FEINSTEIN, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 887, a bill to restore import and entry agricultural inspection functions to the Department of Agriculture.

S. 1060

At the request of Mr. BIDEN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1060, a bill to reauthorize the grant program for reentry of offenders into the community in the Omnibus Crime Control and Safe Streets Act of 1968, to improve reentry planning and implementation, and for other purposes.

S. 1164

At the request of Mr. CARDIN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1164, a bill to amend title XVIII of the Social Security Act to improve patient access to, and utilization of, the colorectal cancer screening benefit under the Medicare Program.

S. 1356

At the request of Mr. BROWN, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 1356, a bill to amend the Federal Deposit Insurance Act to establish industrial bank holding company regulation, and for other purposes.

S. 1782

At the request of Mr. FEINGOLD, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1782, a bill to amend chapter 1 of title 9 of United States Code with respect to arbitration.

S. 1876

At the request of Mr. BIDEN, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 1876, a bill to prohibit extraterritorial detention and rendition, except under limited circumstances, to modify the definition of ''unlawful enemy combatant'' for purposes of military commissions, to extend statutory habeas corpus to detainees, and for other purposes.

S. 1880

At the request of Mr. KERRY, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1880, a bill to amend the Animal Welfare Act to prohibit dog fighting ventures.

S. 1958

At the request of Mr. CONRAD, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 1958, a bill to amend title XVIII of the Social Security Act to ensure and foster continued patient quality of care by establishing facility and patient criteria for long-term care hospitals and related improvements under the Medicare program.

S. 2050

At the request of Mr. BROWN, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 2050, a bill to amend title II of the Social Security Act to eliminate the five-month waiting period in the disability insurance program, and for other purposes.

S. 2063

At the request of Mr. CONRAD, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 2063, a bill to establish a Bipartisan Task Force for Responsible Fiscal Action, to assure the economic security of the United States, and to expand future prosperity and growth for all Americans.

S. 2119

At the request of Mr. JOHNSON, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 2119, a bill to require the Secretary of the Treasury to mint coins in commemoration of veterans who became disabled for life while serving in the Armed Forces of the United States.

S. 2143

At the request of Mr. KOHL, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2143, a bill to amend the Elementary and Secondary Education Act to establish a program to improve the health and education of children through grants to expand school breakfast programs, and for other purposes.

S. 2172

At the request of Mr. MCCAIN, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. 2172, a bill to impose sanctions on officials of the State Peace and Development Council in Burma, to prohibit the importation of gems and hardwoods from Burma, to support democracy in Burma, and for other purposes.

S. 2213

At the request of Mr. HATCH, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2213, a bill to amend title 18, United States Code, to improve prevention, investigation, and prosecution of cyber-crime, and for other purposes.

S. 2219

At the request of Mr. DURBIN, the names of the Senator from Rhode Island (Mr. WHITEHOUSE) and the Senator from Ohio (Mr. BROWN) were added as cosponsors of S. 2219, a bill to amend title XVIII of the Social Security Act to deliver a meaningful benefit and lower prescription drug prices under the Medicare Program.

S. 2262

At the request of Mr. DOMENICI, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 2262, a bill to authorize the Preserve America Program and Save America's Treasures Program, and for other purposes.

S. RES. 334

At the request of Mr. LUGAR, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. Res. 334, a resolution expressing the sense of the Senate regarding the degradation of the Jordan River and the Dead Sea and welcoming cooperation between the peoples of Israel, Jordan, and Palestine.

S. RES. 356

At the request of Mr. DURBIN, the names of the Senator from Washington (Mrs. MURRAY) and the Senator from Rhode Island (Mr. WHITEHOUSE) were added as cosponsors of S. Res. 356, a resolution affirming that any offensive military action taken against Iran must be explicitly approved by Congress before such action may be initiated.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. STABENOW (for herself and Mr. COCHRAN):

S. 2270. A bill to include health centers in the list of entities eligible for mortgage insurance under the National Housing Act; to the Committee on Banking, Housing, and Urban Affairs.

Ms. STABENOW. Mr. President, today I am pleased to introduce the Community Health Center Capital Investment Act. I also thank my colleague, Senator THAD COCHRAN of Mississippi, for joining me in sponsoring this critical legislation. Health centers in both our states are committed to serving more people, and our legislation will give them a little help to do just that.

One of our most important investments in our health-care system is

funding the Community Health Center program. According to the National Association of Community Health Centers, health centers provide comprehensive primary and preventive care to over 16 million people—including nearly 7 million uninsured—each year in more than 6,000 urban and rural communities.

One of my initial pledges when I first ran for the Senate was to increase the number of community health centers in Michigan. Since I became a Senator, there are new 15 community health centers or access points in Michigan. I am also so pleased to have had the support of so many of my colleagues in increasing funding for community health center grants. This year, 64 Senators signed the Stabenow-Bond funding request, and we were pleased that the Senate Labor-HHS-Education Appropriations bill will provide an additional $250 million increase for community health centers. This increased funding will help reach nearly 2 million people next year.

But even as we provide assistance to community health centers for operations, we cannot forget their capital needs such as renovating older buildings, purchasing new equipment, and investing in health information technology. But in general, without specific authorization in Federal law, health centers cannot use current grant dollars for construction, modernization, or expansion of facilities.

According to NACHC, one out of three health centers currently operates in buildings that are 30 years old or older. The average cost of a facility project is estimated to be $2.3 million. Many centers borrow funds for these purposes at rates that could be, and should be, lower.

Kim Sibilsky, the executive director of the Michigan Primary Care Association, wrote me: ''The majority of Michigan's 34 community Health Center organizations were founded in the middle and late 1970s, and many of their 160 community-based sites are located in facilities that require renovation to meet the changing health care needs of their communities. More readily available renovation dollars will assist Michigan Health Centers in improving access to quality health care for Michigan residents.''

One simple solution would be granting access for community health centers to use the facility assistance programs at the Department of Housing and Urban Development. If health centers were able to access HUD's loan guarantee and mortgage insurance program through the Title XI Small Medical Group Facilities Program, they would have an important tool with which to address facility concerns.

The legislation we are introducing today is a small clarification to the Title XI Program to ensure that health centers can obtain mortgage insurance under the program. But this small change will have a huge reward for our safety-net providers. It will allow them to lower the interest rate on the money they borrow, and therefore lower the cost of the project for the center. This savings will be translated directly to increased patient care.

I ask unanimous consent that the letter of support be printed in the RECORD.

There being no objection, the material was ordered to be placed in the RECORD, as follows:

NATIONAL ASSOCIATION OF COMMUNITY HEALTH CENTERS, INC.,
October 25, 2007.

Hon. DEBBIE STABENOW,
Hart Senate Office Building, Washington, DC
Hon. THAD COCHRAN,
Dirksen Senate Office Building, Washington, DC

DEAR SENATOR STABENOW AND SENATOR COCHRAN: On behalf of the National Association of Community Health Centers, the advocate voice for our nation's Community, Migrant, Public Housing and Homeless Health Centers and the 16 million patients they serve, I am writing to offer our strong endorsement of your bipartisan legislation the ''Community Health Center Capital Investment Act.''

America's Health Centers commend you for your leadership in introducing this important legislation to expand access to federal grants for capital improvements in the nation's 1,100 federally qualified health centers. As the health care home for 16 million people in more than 6,000 urban and rural locations, health centers provide high quality, comprehensive primary and preventive care for children and adults. Each year as the number of patients served at health centers continues to increase, so will the need for modernization and construction of new health center facilities.

Your proposal is a significant step forward toward improving access to primary health care across the country. A recent survey in twelve states found that nearly two-thirds of health centers need to expand or modernize their current buildings, while some areas need to construct new facilities to treat the growing number of patients in their communities. Today, health centers have limited access to federal grants for facility improvements and struggle to raise sufficient capital to meet the $2.3 million average cost of facility projects. By ensuring that health centers have access to the Housing and Urban Department's loan guarantee and mortgage insurance program through the Title XI Small Medical Group Facilities Program, health centers will have an important tool to address these facility concerns.

We greatly applaud your legislation to ensure that the nation's health centers will be authorized to access HUD's loan guarantee and mortgage insurance programs for the construction, modernization and expansion of their facilities. Your leadership on this issue will significantly improve the health and well-being of our nation's medically underserved.

Again, thank you for your sponsorship of the ''Community Health Center Capital Investment Act.'' America's Health Centers are proud to endorse your legislation and offer their active support in helping to secure its enactment.

Sincerely,

CRAIG A. KENNEDY, MPH,
Associate Vice President, Federal and State Affairs.

Mr. COCHRAN. Mr. President, community health centers provide care for over 15 million patients nationwide each year and are a critical part of our country's health care network. Many of these centers operate out of buildings that are in need of modernization or expansion. Current law limits access to federal funds to community health centers for any type of construction, modernization, or expansion. Therefore, the only funds available to community health centers for facilities are through congressionally directed spending.

We are introducing a bill today to include community health centers as eligible recipients for funding through the Department of Housing and Urban Development's Small Medical Group Facilities Program. Under this competitive program, community health centers will be able to access loan guarantees and mortgage insurance, thus giving them a tool to address their facility concerns and by doing so, better serve their patients.

I am pleased to offer this legislation that will help improve access to and quality of community health center care.

By Mr. BIDEN (for himself, Mr. GRASSLEY, Mr. DURBIN, and Mrs. Feinstein):

S. 2274. A bill to amend the Controlled Substances Act to prevent the abuse of dextromethorphan, and for other purposes; to the Committee on the Judiciary.

Mr. BIDEN. Mr. President, ''Robotripping,'' ingesting large amounts of cough suppressants containing a common over-the-counter ingredient called Dextromethorphan, or ''DXM,'' is a dangerous, potentially lethal, threat to our Nation's children. That is why today I am introducing the Dextromethorphan Abuse Reduction Act of 2007, which takes significant steps towards countering this alarming problem.

DXM is a cough suppressing ingredient found in many over-the-counter products. While DXM is safe at the recommended dosage, it can produce a hallucinogenic effect similar to that of PCP if ingested in abnormally high doses. Because many drugs containing DXM are legal and widely available over-the-counter, too many teens have the perception that they are not dangerous regardless of the amount ingested. Nothing could be further from the truth; overdosing on DXM can cause a rapid heartbeat, high blood pressure, seizures, brain damage, elevated body temperatures, and even death.

Recent studies reveal troubling rates of DXM abuse. The number of reported cases in California has increased tenfold since 1999 and experts believe that this mirrors national trends. Moreover, the Partnership for a Drug-Free America estimates that 2.4 million teens—1 in 10—got high on over-the-counter cough medicines in 2005. Children ages 9 to 17 are the fastest growing group of DXM abusers. Indeed, the latest Monitoring the Future survey revealed that

nearly 7 percent—or one in about every 14—12th graders reported abusing cough or cold medicines to get high during the past year. Mr. President, these shocking numbers speak for themselves.

To be certain, this is not the first time we have seen the abuse of over-the-counter medications. As you will recall, we spent much of the 109th Congress debating how to address the dangers posed by pseudoephedrine, which can be used to manufacture methamphetamine. We passed the Combat Methamphetamine Epidemic Act of 2005, which took the important step of moving medications containing pseudoephedrine behind the counter and closely regulating their sales. While this move was controversial at the time among those who believed it imposed an unnecessary inconvenience on law-abiding Americans, it has worked: domestic manufacture of methamphetamine has been reduced dramatically and there is no indication that people who legitimately need medicines containing pseudoephedrine are not receiving them.

My bill takes two key steps to combat the abuse of medicines containing DXM. First, it regulates bulk DXM—the powder that has not been combined with any other ingredients—by placing it in Schedule V of the Controlled Substances Act. Cough medicine with codeine is also a Schedule V substance. This gives DEA the authority to monitor and control DXM in its unfinished form. While DXM-containing commercial end-products like Robitussin and Coricidin Cough and Cold will not be scheduled, the bill requires that any would-be purchaser of a DXM-containing product be 18 years of age, a move that many grocery stores and pharmacies have already voluntarily taken.

Second, and equally important in my view, the bill infuses substantial funding into efforts to raise public awareness about the problem of prescription and over-the-counter drug abuse, and it establishes coordinated efforts to educate teens and parents about medicine abuse. I have always said that tough enforcement efforts must be coupled with equally tough prevention and treatment measures. Prevention is a key component to solving the problem of rising medicine abuse, and my bill provides robust funding for educational television advertisements, community awareness and prevention programs, and targeted grants made available to local community coalitions to develop comprehensive strategies to reverse the rise in medicine abuse in a particular community.

Senators GRASSLEY, DURBIN, and FEINSTEIN are original cosponsors of the legislation. The bill is also supported by a number of retail organizations including the National Association of Chain Drug Stores, NACDS, the Consumer Healthcare Products Association, CHPA, and the Food Marketing Institute, FMI. The Community Anti-Drug Coalition of America, CADCA, and the Partnership for a Drug-Free America also support the bill.

I would like to thank Senators GRASSLEY, FEINSTEIN, and DURBIN for their support on this and many other important drug issues facing our country, and I hope all members of this body will join us in this effort and support this bill.

Mr. GRASSLEY. Mr. President, I am pleased to join my colleague, Senator BIDEN, in introducing the Dextromethorphan Abuse Reduction Act of 2007. As senior members of the U.S. Senate, and as chairman and co-chairman of the Senate Caucus on International Narcotics Control, we have seen firsthand how trends in drug abuse have changed over the years and we have worked to provide effective solutions to the drug problem whether the matter is foreign or domestic.

Together, we have been monitoring the recent reports in the media and in the health community detailing new and emerging trends in drug abuse among teens. The reports have established that the fastest rising area of drug abuse among teens is the abuse of prescription drugs that are available in the drug cabinets of parents, family, and friends. These reports indicate that there is also a trend among teens to abuse nonprescription cough and cold medicines that are available without a prescription, over the counter, OTC, at pharmacies and grocery stores across the country. These trends highlight a new danger to America's youth as these products are readily available and are often times perceived to be safe even if used outside their intended use. We cannot afford to ignore this trend and need to ensure that we are doing all we can to protect our kids. If we don't address this problem now, the use of prescription drugs and OTC cough and cold medicines could become more prevalent than the use of traditional illegal narcotics such as marijuana, cocaine, heroin, and methamphetamine.

To illustrate this point, the 2006 University of Michigan annual survey of U.S. adolescents found that while illicit drug use among teens is down, use and abuse of prescription drugs remains high. This includes the abuse of powerful painkillers such as OxyContin and Vicodin. Another survey by the Partnership for a Drug Free America released just last year also found similar results stating that 1 in 5 teens admitted to abusing prescription drugs.

These surveys also included new questions on nonprescription drugs. The University of Michigan survey found that nearly 1 in 14 12th grade students had used nonprescription drugs to get high. The Partnership for a Drug Free America also found that nearly 10 percent of teens have abused cold and cough medicines that contain dextromethorphan or DXM, the active ingredient in OTC cough suppressants. Taken together, these surveys are further evidence that abuse of both prescription and nonprescription OTC drugs is more common than abuse of many illicit drugs. As such, it is our duty to ensure that the laws on the books are adequate to address the new trends in drug abuse.

Of particular concern to me is the abuse of medicines that are available OTC because of how prevalent these products are. Further, many parents may not know about the abuse of such products. For instance, many parents have never heard of dextromethorphan or DXM and are unaware that there is a problem with the abuse of this drug. For those unfamiliar, DXM is the main active ingredient in a number of OTC products, primarily in cough medicines. DXM is the active ingredient and is generally available in two forms, a ''finished dosage form'' and an ''unfinished dosage form''. Finished dosage form means a product contains DXM and other inactive ingredients that are approved for human use, such as cough and cold syrups and pills. Unfinished dosage form refers to the raw chemical DXM in any concentrated amount that is not in finished dosage form for consumption. Unfinished DXM is generally not available at local pharmacies and grocery stores; however, it is available over the Internet and finding its way into our communities. Because both forms, finished and unfinished, are readily available to teens, we need to ensure that reasonable controls are put in place to ensure that access to DXM is limited to those who need the products for true medicinal purposes.

So why regulate DXM at all? Aside from the increasing number of teens abusing the product, the potential dangers are cause enough. Abuse of DXM produces a hallucinogenic effect similar to that of PCP or LSD. To get this effect, teens must often ingest large quantities of DXM and given the uncertain dosage to reach this hallucinogenic effect, overdosing on the product is a real danger. If an overdose occurs, the effects can include an irregular heartbeat, elevated blood pressure, seizures, brain damage, and even death. In fact, both the Food and Drug Administration, FDA, and the Substance Abuse and Mental Health Services Administration, SAMSHA, have posted warnings about the abuse of DXM in OTC finished dosage form and the unfinished dosage powdered form that kids are obtaining over the Internet.

Because of these dangers that abuse and overdose pose, we are here today introducing legislation that will place reasonable restrictions on the sale of DXM. The Dextromethorphan Abuse Reduction Act of 2007 strikes the appropriate balance of regulating access to DXM and products that contain DXM for those under 18 years old while making sure these products remain available for those who have a legitimate medical need.

First, our legislation will regulate the sale of unfinished DXM by placing it on Schedule V of the Controlled Substances Act. This is the tier of the controlled substances list that currently

regulates other forms of cough syrup that contains codeine. As a Schedule V product, DXM will be regulated by the Drug Enforcement Administration, DEA, and will allow the Attorney General to regulate the sale of unfinished DXM over the Internet.

Second, the legislation provides civil penalties for retailers who knowingly or intentionally sell DXM in finished dosage form to an individual under the age of 18. This requirement will ensure that stores and retailers sell products containing DXM in a responsible manner. However, to ensure that retailers are not improperly fined, the bill contains an affirmative defense for those who are presented false or fraudulent identification. The bill also provides the Attorney General the authority to tier the scheduled fines to reduce the penalties for retailers who provide an effective employee training program.

Lastly, this legislation provides vital funding to three important programs for the prevention of abuse of prescription and nonprescription drugs. The legislation authorizes funding to the National Youth Anti-Drug Media Campaign for education to children under age 18 about the dangers of prescription and OTC drug abuse. I have been an outspoken critic about the National Youth Anti-Drug Media Campaign's latest efforts; however, there is a clear need for further education to parents and communities across the country about the dangers of prescription drug abuse and the abuse of nonprescription drugs such as DXM. These funds should help provide an immediate impact in informing parents of the danger that can be found in a medicine cabinet at home.

This bill also authorizes funding for the Community Anti-Drug Coalitions of America, CADCA, to provide education to children under 18 about prescription and OTC drug abuse. It also creates a small federal grant program under SAMHSA at the Department of Health and Human Services to provide communities across the country funding if they demonstrate a major prescription or OTC drug problem and have an effective strategy to deal with that problem.

This legislation is part of an ongoing effort to prevent the abuse of DXM, along with other nonprescription and prescription drugs. This legislation is supported by number of groups including the National Association of Chain Drug Stores, NACDS, the Food Marketing Institute, FMI, their member organizations, and the Community Anti-Drug Coalitions of America among others. I urge my colleagues to support this important legislation and help prevent the abuse of prescription and OTC drugs.

By Mrs. FEINSTEIN:

S. 2275. A bill to prohibit the manufacture, sale, or distribution in commerce of certain children's products and child care articles that contain phthalates, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mrs. FEINSTEIN. Mr. President, I rise to introduce legislation to ban the use of phthalates in toys.

This legislation will ban the use of six types of phthalates in toys, which are linked to birth defects. Phthalates are plasticizing chemicals used in a variety of everyday products, including cosmetics, nail polish, paint, and shower curtains. Alarmingly, they are used in a variety of children's toys, such as rubber ducks, teething rings, and bath toys.

This legislation will ban the manufacture, sale or distributions of toys and childcare articles that contain more than .1 percent of DEHP, DBP, or BBP.

It will also ban the manufacture, sale, or distribution of toys and childcare articles for use by children 3 years old or younger that contain more than .1 percent of DINP, DIDP, or DnOP.

It clearly states that phthalates cannot be replaced with other dangerous chemicals identified by the Environmental Protection Agency as carcinogens, possible carcinogens, or chemicals that cause reproductive or developmental harm.

Phthalates are used in a variety of PVC, polyvinyl chloride, plastic products to make them soft and pliable. Phthalates are not chemically bonded to PVC molecules. When a child places a plastic toy with phthalates into his or her mouth, these phthalates leach out of the plastic product and into the child's system.

Phthalates are found in many common children's toys: rubber ducks, soft bath books, teethers, and even dolls. In 2006, the San Francisco Chronicle sent 16 common children's toys to a Chicago lab for testing to see if they exceeded the .1 percent limit proposed in this legislation. The results should alarm parents everywhere. One teether contained a phthalate at five times the proposed limit. A rubber duck sold at Walgreens had 13 times the proposed limit of DEHP, a carcinogenic phthalate. The face of a popular doll contained double the proposed phthalate limit.

While the science is still evolving, we know that exposure to phthalates can cause serious long-term health effects. Phthalates interfere with the natural functioning of the hormone system, and can cause reproductive abnormalities, many resulting from low levels of testosterone.

In 2005, Dr. Shanna Swan of the University of Rochester School of Medicine found that pregnant women with high levels of phthalates in their urine were more likely to give birth to boys with a birth defect that is a key indicator of low testosterone levels.

Men with high phthalate levels have lower sperm counts and damaged sperm DNA.

Phthalate exposure has also been linked to premature birth and the early onset of puberty. They may be a factor in some cancers.

Young children, whose bodies are still growing and developing, are particularly vulnerable when exposed to phthalates in the toys around them.

In the face of this troubling science, at least 14 other nations have acted to ban or restrict the use of phthalates in children's products. Examples include: the European Union's ban, upon which this legislation is modeled, has been in effect since 2006; the Argentina Ministry of Health imposed a ban in 1999; and Japan banned toys containing DEHP and DINP intended to be put in the mouth of children up to the age of 6.

My home State of California recently became the first state to ban phthalates in toys and other products intended for children. California parents will now know that the toys they give their children are not placing them at risk for serious health problems.

It is time for the rest of the country to follow the lead of California, the European Union, and other nations. Without action, the U.S. risks becoming a dumping ground for phthalate laden toys that cannot legally be sold elsewhere. American children deserve better.

Opponents of this ban will argue that we cannot safely replace phthalates, and that these replacements could place children at an even greater risk. The experience in the European Union certainly suggests otherwise.

Facing the phthalate ban, European manufacturers began to develop alternatives. Danisco, a Danish company, has introduced a phthalate alternative that has been approved for use in both the U.S. and the European Union.

Manufacturers have found ways to make safe, phthalate free toys for European Union children, and there is no reason that they should not do the same for American children.

There is much we do not know about the chemicals that surround us. Evidence is demonstrating that phthalates are posing a risk to children. I strongly believe that products not known to be safe should not be in the hands and mouths of children.

I urge my colleagues to support this legislation, and to provide all American children with the same safe toys available in Europe and California.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2275

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Children's Chemical Risk Reduction Act of 2007''.

SEC. 2. BAN ON CERTAIN PRODUCTS CONTAINING PHTHALATES.

(a) FINDINGS.—Congress finds that—

(1) phthalates are a class of chemicals used in polyvinyl chloride (PVC) plastic to improve flexibility and in cosmetics to bind fragrance to the product and are used in many products intended for use by young children, including, teethers, toys, and soft plastic books; and

(2) there is extensive scientific literature reporting the hormone-disrupting effects of phthalates and substantial evidence of phthalates found in humans at levels associated with adverse effects.

(b) BANNED HAZARDOUS SUBSTANCE.—Effective January 1, 2009, any children's product or child care article that contains a phthalate shall be treated as a banned hazardous substance under the Federal Hazardous Substances Act (15 U.S.C. 1261 et seq.) and the prohibitions contained in section 4 of such Act shall apply to such product or article.

(c) PROHIBITION ON USE OF CERTAIN ALTERNATIVES TO PHTHALATES IN CHILDREN'S PRODUCTS AND CHILD CARE ARTICLES.—

(1) IN GENERAL.—If a manufacturer modifies a children's product or child care article that contains a phthalate to comply with the ban under subsection (b), such manufacturer shall—

(A) use an alternative to phthalates that is the least toxic; and

(B) not use any of the prohibited alternatives to phthalates described in paragraph (2).

(2) PROHIBITED ALTERNATIVES TO PHTHALATES.—The prohibited alternatives to phthalates described in this paragraph are the following:

(A) Carcinogens rated by the Environmental Protection Agency as Group A, Group B, or Group C carcinogens.

(B) Substances described in the List of Chemicals Evaluated for Carcinogenic Potential of the Environmental Protection Agency as follows:

(i) Known to be human carcinogens.

(ii) Likely to be human carcinogens.

(iii) Suggestive of being human carcinogens.

(C) Reproductive toxicants identified by the Environmental Protection Agency that cause any of the following:

(i) Birth defects.

(ii) Reproductive harm.

(iii) Developmental harm.

(d) DEFINITIONS.—As used in this Act—

(1) the term ''children's product'' means a toy or any other product designed or intended by the manufacturer for use by a child;

(2) the term ''child care article'' means all products designed or intended by the manufacturer to facilitate sleep, relaxation, or the feeding of children, or to help children with sucking or teething; and

(3) the term ''children's product or child care article that contains a phthalate'' means—

(A) a children's product or a child care article any part of which contains any combination of di-(2-ethylhexyl) phthalate (DEHP), dibutyl phthalate (DBP), or benzyl butyl phthalate (BBP) in concentrations exceeding 0.1 percent; and

(B) a children's product or a child care article intended for use by a child less than 3 years of age that—

(i) can be placed in a child's mouth; and

(ii)(I) contains any combination of diisononyl phthalate (DINP), diisodecyl phthalate (DIDP), or di-n-octyl phthalate (DnOP), in concentrations exceeding 0.1 percent; or

(II) contains any combination of di-(2-ethylhexyl) phthalate (DEHP), dibutyl phthalate (DBP), benzyl butyl phthalate (BBP), diisononyl phthalate (DINP), diisodecyl phthalate (DIDP), or di-n-octyl phthalate (DnOP), in concentrations exceeding 0.1 percent.

By Mr. DODD (for himself, Mr. VOINOVICH, and Mr. WARNER):

S. 2276. A bill to enhance United States competitiveness in aeronautics, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. DODD. Mr. President, I rise today to introduce the Aeronautics Competitiveness Act of 2007 with my colleagues, Senators VOINOVICH and WARNER.

Since the Wright brothers first flew at Kill Devil Hills, aeronautics has been an iconic American industry. The ability to fly is no less remarkable because it has now become commonplace; and in fact, that a flight across the country is now routine is a wonder in itself. Very few advances have had the national and global impact of the progress of aeronautics, and at the core of those advances has been a robust tradition of American ingenuity and production.

The challenges in aeronautics continue to shift. The air traffic control system is under strain, and my colleagues on the Commerce Committee have worked diligently this year to chart the path for a complete overhaul of the system. There are environmental pressures the industry has not faced before, including pressure to reduce greenhouse gas emissions. At the same time, new sectors of the business, including light jets, show the potential for astonishing growth. All of these challenges require significant technology advances, and a significant investment in research.

We find ourselves at a crossroads. The European Union has written a report entitled ''European Aeronautics: A Vision for 2020.'' I can summarize the vision: it is to supplant the U.S. as the global leader in aeronautics in the next 13 years. Toward that goal, the E.U. is investing about $860 million per year at today's exchange rates in a research fund for aeronautics and ''sustainable surface transport.'' With the investments of individual countries, the total research spending on civil aeronautics is closer to $4.5 billion. In contrast, this year's budget for NASA aeronautics research will be on the order of $550 million. Aeronautics is the first ''A'' in NASA, but receives less than one-thirtieth of the funds.

The aeronautics industry is part of the fabric of American life, and has the highest trade surplus of any industry, at $52 billion last year. But U.S. preeminence is far from assured. This is why I am proud to introduce a bill that will help to ensure the future competitiveness of U.S. aeronautics. It increases the authorization level for NASA aeronautics programs by 20 percent per year for the first 2 years, with a smaller increase in the third year. It creates a more transparent and inclusive process for stakeholder input into research priorities, and encourages NASA to take selected technologies farther along from basic research towards development. And it invests in the workforce by providing for scholarships for graduate students at NASA and the FAA, and creating a program modeled on the Independent Research and Development program.

I believe the future is bright for this vital industry, and I strongly feel that we should be unwilling to cede leadership to anyone in this area, no matter how determined they may be. I urge my colleagues to support this bill to preserve the leading role of U.S. aeronautics.

By Mr. DURBIN (for himself, Mr. OBAMA, and Mr. SCHUMER):

S. 2278. A bill to improve the prevention, detection, and treatment of community and health care-associated infections (CHAI), with a focus on antibiotic-resistant bacteria; to the Committee on Health, Education, Labor, and Pensions.

Mr. DURBIN. Mr. President, we have seen an increasing amount of attention on the growing problem of community and hospital-associated methicillin-resistant staphylococcus aureus, or MRSA, infections. The CDC estimates that in 2005 in the U.S., 94,000 people developed an invasive drug-resistant staph infection. Out of 94,000 infections, researchers found that more than half were acquired in the health care system—people who had recently had surgery or were on kidney dialysis, for example. Nearly 19,000 Americans die, often needlessly, from these infections every year. This is more than the number of people who died from HIV/AIDS, homicide, emphysema, or Parkinson's.

The infections impact not only our civilian families but also our military families. CDC worked with the Army in 2003 to look at an outbreak of serious infections among soldiers. Between March and October 2003, they discovered that 145 American soldiers had been infected with another drug-resistant bacteria, Acinetobacter baumannii-calcoaceticus complex, or ABC. This outbreak of drug-resistant wound infections among soldiers in Iraq appears to have come from the U.S. military hospitals where they were treated, not the battlefield.

Hospitals are taking active steps to identify and control infections, but keep in mind that about half of the infections that end up being treated in a hospital were actually picked up in the community. Schools in Connecticut, Maryland, North Carolina, Ohio, Virginia, and Kentucky have had to close to help contain the spread of an infection. School officials in Mississippi, New Hampshire, and Virginia reported student deaths within the past month from bacteria, while officials in at least four other States reported cases of students being infected. Most recently, a 12-year-old in Brooklyn died from a community-aquired staph infection.

In the State of Illinois, cases of the drug-resistant staph infection closed schools in Aurora and Joliet. Other cases were confirmed in the Indian Prairie School District in the Aurora Naperville area. Two suburban Catholic elementary schools outside of Chicago were closed for heavy-duty cleaning after school leaders discovered each of the student bodies had a case of a drug-resistant staph infection.

States are taking important steps to control staph infection. The State of Illinois has taken aggressive steps to identify the infection before it grows out of control. Illinois is the first State to require testing of all high-risk hospital patients and isolation of those who carry the bacteria called MRSA. Twenty-two States have passed laws that will give their residents important information about hospital infections. Nineteen States have laws that require public reporting of infection rates.

States are actively pursuing the options that the CDC recommends for communities and hospitals to help fight the spread of drug-resistant bugs. It is time for the Federal Government to follow suit.

Today, I introduce the Community and Healthcare Associated Infections Reduction Act of 2007. This legislation builds on what hospitals are already doing and what infectious disease experts and Government agencies agree is critical to reducing the emergence of these infections.

My colleagues, Senator OBAMA and Senator SCHUMER, and I introduced this bill because we believe we have a national responsibility to improve the prevention, detection, and treatment of community and health care-associated infections. To do so, we need to tackle the problem from all sides.

We need better data to understand the problem at hand. The bill requires hospitals to report infection rates to the Federal Government, which we will then use to target high risk areas, identify hospitals that are doing a good job of controlling infections, and do a better job of communicating what we know to hospitals and health departments around the country. With better data, researchers will learn more about how to treat and, ideally, how to prevent these dangerous infections.

But, reporting is not enough. We need comprehensive infection control programs. The bill commissions an updated, comprehensive look at best practices for hospitals on infection control to provide hospitals the tools they need to best address these infections.

The bill also requires the Secretary to conduct a feasibility study on the creation of a Federal payment system to acknowledge and reward hospitals that are preventing these infections. Would this system work and is it what hospitals need? Hospital workers, doctors, and nurses do their very best to protect patients from infection. What more can be done to reward hospitals that are keeping infection rates low?

In addition, the bill addresses the growing impact of these infections—inside and outside the hospital. A new public health campaign will increase awareness in the public and educate people about reducing and preventing infections, especially in schools, locker rooms, playgrounds—the areas where we know bacteria can thrive. Finally, the bill calls for greater coordination of and greater emphasis on research at the Federal level. There are promising approaches to the control of infectious disease—for example, some investigators are looking at the use of bacteria-resistant surfaces in hospitals and other settings.

In a Nation as rich as ours, with the best health care professionals in the world, we don't expect people to come into a health care setting with a broken bone and then go home with a dangerous infection. Our health care system is safe and high quality, and I think we can only improve on that with a stronger emphasis on prevention, reporting and research. Our patients need it, our families deserve it, and everyone of us wants it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be placed in the RECORD, as follows:

S. 2278

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Community and Healthcare-Associated Infections Reduction Act of 2007''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Effective antibiotics have transformed the practice of medicine and saved millions of lives, but the emergence and spread of antibiotic-resistant bacterial pathogens poses a significant threat to patient and public health.

(2) Although many antibiotic-resistant infections occur most frequently among individuals in hospitals and other healthcare facilities, they also affect otherwise healthy individuals in the community.

(3) According to the Centers for Disease Control and Prevention (referred to in this Act as the ''CDC''), healthcare-associated infections (referred to in this Act as ''HAI'') are one of the top 10 leading causes of death in the United States.

(4) In American hospitals alone, HAI account for an estimated 1,700,000 infections and 99,000 associated deaths each year. In 70 percent of these deaths, the bacteria are resistant to at least one commonly used antibiotic.

(5) Dr. John Jernigan, Chief of Interventions and Evaluations at the CDC, estimates that HAI in hospitals result in up to $27,500,000,000 in additional healthcare costs annually. The growing problem of antibiotic resistance, which affects the most common and least expensive antibiotics first, also shifts utilization toward more expensive antibiotics.

(6) Methicillin-resistant *Staphylococcus aureus* (referred to in this Act as ''MRSA''), one of the most dangerous forms of antibiotic-resistant staph infections, highlights the magnitude of the problem. A recent study by the CDC estimates that nearly 95,000 people became infected with invasive MRSA in 2005 in the United States, resulting in 19,000 deaths, more than the number who died from HIV/AIDS, Parkinson's disease, emphysema, or homicide. A vast majority (85 percent) of these infections were associated with healthcare treatment.

(7) MRSA also affects individuals outside the healthcare setting and in the community. Recent weeks have seen an increase by health and education officials in reported staph infection outbreaks, including antibiotic-resistant strains. These infections have occurred in New York, Kentucky, Virginia, Maryland, Illinois, Ohio, North Carolina, Florida, and the District of Columbia.

(8) The problem of antibiotic-resistant infections is not limited to MRSA. High levels of resistance in *enterococci*, *Klebsiella pneumonia*, *Pseudomonas aeruginosa*, *and E. coli* have also been reported.

(9) Antibiotic-resistant infections have been discovered in troops coming back from Iraq and Afghanistan. A CDC study showed that between March and October 2003, 145 United States service members at military treatment facilities were infected or colonized with a multidrug-resistant gram-negative bacterium called *Acinetobacter baumannii*. The most likely source of this outbreak was bacteria within deployed field hospitals.

(10) Despite this significant public health threat, information on community and healthcare-associated infections (referred to in this Act as ''CHAI'') is incomplete and unreliable. Policymakers, healthcare providers, and individual consumers have little information about hospital infection rates, making it difficult to diagnose the scope of the problem and evaluate current infection prevention efforts, and assess potential remedies.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Centers for Medicare & Medicaid Services.

(2) AHRQ.—The term ''AHRQ'' means the Agency for Healthcare Research and Quality.

(3) CHAI.—The term ''CHAI'' means community and healthcare-associated infections.

(4) DIRECTOR.—The term ''Director'' means the Director of the Centers for Disease Control and Prevention, unless otherwise specifically designated.

(5) HAI.—The term ''HAI'' means healthcare-associated infections, which are infections that patients acquire during the course of receiving treatment for other conditions within a healthcare setting.

(6) HOSPITAL.—The term ''hospital'' means a subsection (d) hospital (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B))).

(7) INTERAGENCY WORKING GROUP.—The term ''interagency working group'' means the interagency working group on community and healthcare-associated infections established under section 9.

(8) MRSA.—The term ''MRSA'' means Methicillin-resistant *Staphylococcus aureus*.

(9) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

SEC. 4. COMMUNITY AND HEALTHCARE-ASSOCIATED INFECTION CONTROL PROGRAM.

(a) ESTABLISHMENT OF BEST PRACTICES GUIDELINES FOR INFECTION CONTROL.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, AHRQ in collaboration with CDC shall develop best-practices guidelines for internal infection control plans to prevent, detect, control, and treat CHAI at hospitals.

(2) REQUIREMENTS.—In carrying out paragraph (1), AHRQ shall—

(A) establish a set of best practices with supporting justification of their appropriateness and effectiveness based on nationally-recognized or evidence-based standards, which practices may include—

(i) the establishment of an infection control oversight committee; and

(ii) the establishment of measures for the prevention, detection, control, and treatment of CHAI, such as—

(I) staff training and education on CHAI prevention and control, including the monitoring and strict enforcement of hand hygiene procedures;

(II) a system to identify, designate, and manage patients known to be colonized or infected with CHAI, including diagnostic surveillance processes and policies, procedures and protocols for staff who may have had potential exposure to a patient or resident known to be colonized or infected with a CHAI, and an outreach process for notifying a receiving healthcare facility of any patient known to be colonized or infected with CHAI prior to transfer of such patient within or between facilities;

(III) the development and implementation of an infection control intervention protocol that may include active detection and isolation procedures, the alternation of the physical plan of a hospital, the appropriate use of anti-microbial agents, and other infection control precautions for general surveillance of infected or colonized patients;

(B) work in collaboration with other agencies and organizations whose area of expertise is the identification, treatment, and prevention of infectious disease;

(C) publish proposed guidelines for internal infection control plans;

(D) provide for a comment period of not less than 90 days; and

(E) establish final guidelines, taking into consideration any comment received under subparagraph (D).

(b) CONSULTATION OF BEST PRACTICES GUIDELINES.—The Administrator shall consult best practices guidelines in evaluating hospitals infection control plans as a condition of participation in the Medicare program.

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated such sums as may be necessary for each of fiscal years 2008 through 2012.

SEC. 5. COLLECTION, REPORTING, AND COMPILATION OF COMMUNITY AND HEALTHCARE-ASSOCIATED INFECTION DATA.

(a) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, hospitals shall report information about CHAI to the CDC National Healthcare Safety Network (NHSN), which shall be used by the CDC to develop a national database of infection rates in hospitals. With respect to reporting such information, the following shall apply:

(1) Hospitals shall meet data reporting standards as required by the NHSN, including timeframes, case-finding techniques, submission formats, infection definitions and other relevant terms, methodology for surveillance of infections, risk-adjustment techniques, or other specifications necessary to render the incoming data valid, consistent, compatible, and manageable.

(2) Hospitals shall submit data that allows the CDC to distinguish between—

(A) infections that are present in patients upon their admission to the hospital;

(B) infections that occur during a patient's hospital stay; and

(C) infections caused by multiple drug resistant organisms and nondrug resistant organisms.

(3) The CDC shall have the authority to make such orders, findings, rules, and regulations as necessary to ensure that hospitals accurately and timely track and report data.

(b) CONSULTATION.—The CDC shall review and revise NHSN standards as appropriate, working in consultation with the Centers for Medicare & Medicaid Services, AHRQ, and national organizations engaged in healthcare quality measurement and reporting.

(c) DATA HARMONIZATION.—The Director shall work in collaboration with the Administrator to support the harmonization of data for purposes of developing a national database of infections rates in hospitals and other purposes determined to be appropriate.

(d) DISSEMINATION OF DATA.—Not later than 1 year after the date of enactment of this Act, subject to the confidentiality of patient records, the CDC shall—

(1) make data available to interested researchers;

(2) make data available to interested State Health Departments;

(3) produce useful and accessible reports for the public to allow for comparisons of HAI rates across hospitals; and

(4) use data to assist hospitals in evaluating and formulating best practices strategies to reduce infection rates.

(e) PRIVACY OF DATA.—Notwithstanding any other provision of Federal, State, or local law, the infection data collected pursuant to this Act shall be privileged and shall not be—

(1) subject to admission as evidence or other disclosure in any Federal, State, or local civil or administrative proceeding; and

(2) subject to use in a State or local disciplinary proceeding against a hospital or provider.

(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated such sums as may be necessary for each of fiscal years 2008 through 2012.

SEC. 6. QUALITY IMPROVEMENT PAYMENT PROGRAM.

(a) PAY FOR PERFORMANCE INITIATIVES REPORT.—Not later than 90 days after the date of enactment of this Act, the Administrator shall submit to Congress a report studying the feasibility of reducing HAI rates through a Quality Improvement Payment Program.

(b) PROGRAM.—The report under subsection (a) shall consider such factors as—

(1) patient demographics, such as—

(A) the median income of patients;

(B) percentage of minority patients; and

(C) disease condition;

(2) hospital characteristics, such as—

(A) median income;

(B) population density of the hospital zip code locale;

(C) university affiliation; and

(D) hospital size as indicated by the number of beds; and

(3) other factors as determined to be appropriate by the Centers for Medicare & Medicaid Services.

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated such sums as may be necessary for each of fiscal years 2008 through 2012.

SEC. 7. PUBLIC AWARENESS CAMPAIGN.

(a) IN GENERAL.—The Director shall award grants to States for the purpose of enabling the States to carry out public awareness campaigns to provide public education and increase awareness with respect to the issue of reducing, preventing, detecting, and controlling CHAI.

(b) REQUIREMENTS.—To be eligible for a grant under subsection (a), a State shall provide assurances to the Secretary that the State campaign to be conducted under the grant shall—

(1) provide information on the prevention and control of CHAI, including appropriate antibiotic use, causes and symptoms, and management, treatment and reduction methods, in healthcare settings and non-healthcare settings;

(2) provide information to healthcare providers and the public, including schools, non-profit organizations, and private-sector entities; and

(3) work with members of the community to promote awareness and education, including hospitals, school health centers, schools, local governments, doctors' offices, prisons, jails, and other public- and private-sector entities.

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated such sums as may be necessary for each of fiscal years 2008 through 2012.

SEC. 8. EXPANSION AND COORDINATION OF ACTIVITIES OF THE NATIONAL INSTITUTES OF HEALTH REGARDING COMMUNITY AND HEALTHCARE-ASSOCIATED INFECTIONS.

(a) COMMUNITY AND HEALTHCARE-ASSOCIATED INFECTIONS INITIATIVE THROUGH THE NATIONAL INSTITUTES OF HEALTH.—

(1) EXPANSION AND INTENSIFICATION OF ACTIVITIES.—

(A) IN GENERAL.—The Director of National Institutes of Health (referred to in this section as the ''Director''), in coordination with the directors of the other national research institutes (as appropriate), may expand and intensify programs of the National Institutes of Health with respect to research and related activities concerning CHAI.

(B) COORDINATION.—The directors referred to in paragraph (1) may jointly coordinate the programs referred to in such paragraph and consult with additional Federal officials, voluntary health associations, medical professional societies, and private entities, as appropriate.

(2) PLANNING GRANTS AND CONTRACTS FOR INNOVATIVE RESEARCH IN CHAI.—

(A) IN GENERAL.—In carrying out subsection (a)(1) the Director may award planning grants or contracts for the establishment of new research programs, or the enhancement of existing research programs, that focus on CHAI.

(B) RESEARCH.—In awarding planning grants or contracts under paragraph (1), the Director may give priority to—

(i) collaborative partnerships, which may include academic institutions, private sector entities, or nonprofit organizations with a focus on infectious disease science, medicine, public health, veterinary medicine, or other discipline impacting or influenced by emerging infectious diseases;

(ii) research on the most effective copper-based applications to stem infections in military and civilian healthcare facilities; and

(iii) research on new rapid diagnostic techniques for antibiotic-resistant bacteria.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary, in collaboration with the Director, the Commissioner of Food and Drugs, and the Director of the National Institutes of Health, shall prepare and submit to the appropriate committees of the Congress a report that describes the obstacles to anti-infective, especially antibacterial, drug research and development. Such report shall—

(1) identify, in concurrence with infectious disease clinicians and appropriate professional associations, the infectious pathogens that are (or are likely to become) a significant threat to public health because of drug resistance or other factors;

(2) identify those incentives that may already exist through Federal programs, such as Orphan Product designation, including an

explanation of how such programs would apply to infectious diseases and in particular resistant bacterial infections;

(3) recommend strategies to publicize current incentives available to encourage anti-infective, especially antibacterial, drug research and development;

(4) recommend additional regulatory and legislative solutions to stimulate appropriate anti-infective, especially antibacterial, drug research and development;

(5) update the progress made in response to the ''Public Health Action Plan to Combat Antimicrobial Resistance'' to include a narrative summary of activities in addition to tables provided in existing progress reports, highlighting where gaps remain as well as obstacles to future progress; and

(6) recommend strategies to strengthen the Federal response to antimicrobial resistance, as outlined in the Action Plan, in particular additional actions needed to address remaining gaps or obstacles to progress in implementing the Plan, as well as Federal funding needs.

(c) PUBLIC INFORMATION.—The coordinating committee shall make readily available to the public information concerning the research, education, and other activities relating to CHAI, that are conducted or supported by the National Institutes of Health.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary for each of fiscal years 2008 through 2012 to carry out this section.

SEC. 9. INTERAGENCY WORKING GROUP ON COMMUNITY AND HEALTHCARE-ASSOCIATED INFECTIONS.

(a) ESTABLISHMENT.—The Secretary, in coordination with the Administrator, shall establish an interagency working group on CHAI to consider issues relating to the reduction and prevention of these infections.

(b) MEMBERSHIP.—The interagency working group shall be composed of a representative from each Federal agency (appointed by the head of each such agency) that has jurisdiction over, or is affected by, CHAI including—

(1) the Centers for Medicare & Medicaid Services;

(2) the Centers for Disease Control and Prevention;

(3) the Health Resources and Services Administration;

(4) the Agency for Healthcare Research and Quality;

(5) the Food and Drug Administration;

(6) the National Institutes of Health;

(7) the Department of Agriculture;

(8) the Department of Defense;

(9) the Department of Veterans Affairs;

(10) the Environmental Protection Agency; and

(11) such other Federal agencies as determined appropriate.

(c) DUTIES.—The interagency working group shall—

(1) work in collaboration with the Interagency Task Force on Anti-microbial Resistance;

(2) facilitate communication and partnership on infection prevention and quality health-related projects and policies;

(3) serve as a centralized mechanism to coordinate a national effort—

(A) to discuss and evaluate evidence and knowledge on infection prevention;

(B) to determine the range of effective, feasible, and comprehensive actions to improve healthcare quality related to CHAI; and

(C) to examine and better address the growing impact of CHAI in communities throughout the United States;

(4) coordinate plans to communicate research results relating to CHAI prevention and control to enable reporting and outreach activities to produce more useful and timely information;

(5) consider and determine the feasibility of establishing an active surveillance program involving other entities (such as athletic teams or correctional facilities) for the purpose of identifying those individuals in the community that are colonized and at risk of susceptibility to and transmission of bacteria;

(6) develop an appropriate research agenda for Federal agencies;

(7) develop recommendations regarding evidence-based best practices, model programs, effective guidelines, and other strategies for promoting CHAI prevention and control;

(8) monitor Federal progress in meeting specific CHAI prevention and control promotion goals; and

(9) not later than 2 years after the date of enactment of this Act, submit to Congress a report that describes the appropriateness and effectiveness of best practices guidelines developed by the Centers for Disease Control and Prevention for infection control plans.

(d) MEETINGS.—

(1) IN GENERAL.—The interagency working group shall meet at least 6 times each year.

(2) ANNUAL CONFERENCE.—The Secretary shall sponsor an annual conference on CHAI prevention, detection, and control to enhance coordination and share best practices in CHAI data collection, analysis, and reporting.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 10. GOVERNMENT ACCOUNTABILITY OFFICE REPORT ON COMMUNITY AND HEALTHCARE-ASSOCIATED INFECTIONS.

Not later than 2 years after the date of enactment of the Act, the Government Accountability Office shall submit to Congress a report on the impact of this Act on—

(1) the prevalence of CHAI; and

(2) the quality and availability of data about CHAI.

SEC. 11. PREEMPTION.

Nothing in this Act shall be construed to preempt existing State laws, except to the extent that such State laws would result in the establishment of duplicative or conflicting surveillance or reporting requirements.

By Mr. BIDEN (for himself and Mr. LUGAR):

S. 2279. A bill to combat international violence against women and girls; to the Committee on Foreign Relations.

Mr. BIDEN. Mr. President, one in three women worldwide will experience gender-based violence in her lifetime. In some countries, that's true for 70 percent of women. No country is immune. From trafficking of women in Eastern Europe to ''honor'' killings in Jordan to rape being used as a brutal weapon of war in Darfur and the Congo, violence against women and girls crosses all borders and affects women in all social groups, religions and socio-economic classes.

Around the globe, women and girls face domestic violence, rape, forced or child marriage, so-called ''honor'' killings, dowry-related murder, human trafficking, and female genital mutilation. The United Nations estimates that at least 5,000 ''honor'' killings take place each year around the world and more than 130,000,000 girls and young women worldwide have been subjected to genital mutilation. A 2006 United Nations Report found that at least 102 member states had no specific laws on domestic violence. The statistics are staggering.

Not surprisingly, violence against women and girls has a profound impact on the health and development of countries worldwide. Violence breeds poverty. It impedes economic development because it can prevent girls from going to school, or stop women from holding jobs or inheriting property, or shut down access to critical health care for themselves and their children. We can't eradicate poverty and disease unless we prevent and respond to the violence women face in their own homes and communities. We cannot truly empower women to become active in civic life and promote peace, prosperity and democracy unless they personally are free from fear of violence.

Violence against women is a global health crisis, not just because so many women and girls are injured and die as a result, but also because inequality and violence interfere with current efforts to combat the HIV/AIDS pandemic. Forced sex increases vulnerability to HIV/AIDS transmission, in part, because condoms are not likely to be used. In sub-Saharan Africa alone, women account for close to three-quarters of those living with HIV/AIDS between the ages 18 and 24.

The picture is grim, and can be discouraging. But the good news is that local and international organizations are working in communities around the world with courage, sensitivity and great success to help women overcome violence at home, in school and at work. But they need our help.

We've made tremendous progress in reducing violence against women here in the United States since we passed the Violence Against Women Act, VAWA, in 1994. That important work continues. But we cannot ignore the devastation wrought by violence in every corner of the globe. Now is the time to turn our attention to women in other parts of the world—women whose lives are devastated by poverty, political and civic exclusion, disease, and violence. Gender-based violence contributes to the poverty, inequality and instability that threaten peace. Addressing it isn't just moral; it is also smart.

So today, during this final week of Domestic Violence Awareness Month, I am introducing with my good friend from Indiana, Senator LUGAR, the International Violence Against Women Act. This groundbreaking, bipartisan legislation would integrate efforts to end gender-based violence into all existing, appropriate U.S. foreign assistance programs.

The International Violence Against Women Act has three main components. First, the bill reorganizes and rejuvenates the gender-related efforts of the State Department by creating one central office—the ''Office for

Women's Global Initiatives'', directed by a Senate-confirmed Ambassador who reports directly to the Secretary. The Coordinator of the Office or Women's Global Initiatives, the ''Coordinator'', will be charged with monitoring, coordinating, and organizing all U.S. resources, programs and aid abroad that deals with women's issues, including gender-based violence. Additionally, my bill creates a new Office of Women's Global Development at the United States Agency for International Development, also to be directed by a Senate-confirmed nominee. The Director will be responsible for addressing gender-based violence and integrating gender into U.S. government assistance programs. The Director will work closely with the Coordinator and the Secretary of State to implement the provisions of the IVAWA legislation.

Under the current organizational scheme, projects addressing violence against women, either primarily or tangentially, are spread throughout the State Department and USAID without a central inventory, game plan or leader. My bill will raise the profile of women's issues generally at the State Department, and ensure that gender-based violence programs are building on past successes, leveraging core competencies and working in conjunction with other initiatives.

Second, the International Violence Against Women Act mandates creation of a 5-year, comprehensive strategy, with coordinated programming, to prevent and respond to violence against women in 10 to 20 targeted countries. The act creates a dedicated funding stream of $175 million a year to support programs dealing with violence against women in five areas: the criminal and civil justice system—everything from drafting laws on domestic violence, to enhancing women's access to property and inheritance rights, to reforming police practices—health care, girls' access to education and school safety, women's access to employment and financial resources, and public awareness campaigns that change social norms.

I know from my experience in Delaware that coordinating community responses in towns and cities has made all the difference in fighting domestic violence and rape. I applied those same principles of coordination and joint programming to the International Violence Against Women Act. International experts agree on the necessity of a multi-disciplinary approach that brings governments and nongovernmental organizations to the table to create sustainable infrastructure. To be clear, the International Violence Against Women Act is not asking countries to reinvent the wheel. At every step our strategy will lead to coordination of efforts to have the greatest possible impact. This type of effective, cost-efficient, gender-based violence programming already exists and is taking place in pockets all around the globe. We have the blueprints; my Act would provide the momentum and support for a full-scale international priority.

Finally, as the recent reports from the Congo make tragically clear, in situations of humanitarian crises, conflict and post-conflict operations, women and girls are vulnerable to horrific acts of violence. Reports of refugee women being raped while collecting firewood, soldiers sexually abusing girls in exchange for token food items, or women subjected to unimaginable brutality and torture as a tactic of war are shocking in number and inhumanity. The Act requires training, reporting mechanisms and other measures for those who are working directly with or protecting refugees and other vulnerable populations. The act also requires that the State Department identify ''critical outbreaks'' in which violence against women and girls is being used as a weapon of intimidation and abuse in armed conflict or war, or is escalating in an environment of impunity, and to take emergency measures to respond to the outbreaks.

The issue of violence against women and girls is complex and our legislation is a bold and ambitious plan. There are limitations on the United States' power to ''fix'' a problem that is so widespread. We are mindful that no country has a perfect record or all the answers. Yet Congress has a long and proud history of tackling complex international problems, most recently the devastating epidemic of HIV/AIDS and the insidious crime of human trafficking.

I did not approach this legislation lightly. Over the past months, I've solicited information from every relevant office in the State Department, USAID and the Department of Justice that works on the issues of women's rights and gender-based violence abroad. I asked for input and information from the United Nations secretariat, and many of its subsidiary agencies who are working to prevent and respond to gender-based violence internationally in various capacities. And most importantly, the International Violence Against Women Act was drafted with the insight and expertise of over 100 nongovernmental organizations and 40 women's groups around the globe, including American Refugee Committee, Amnesty International, CARE, Christian Children's Fund, Family Violence Prevention Fund, Global AIDS Alliance, Human Rights Watch, Inter-Agency Gender Working Group, IGWAG, International Rescue Committee, International Justice Mission, Women's Edge Coalition, Vital Voices Global Partnership and many others. I thank all of them for their invaluable assistance and perseverance as this bill came together.

Former United Nations Secretary-General Kofi Annan said ''Violence against women is perhaps the most shameful human rights violation. And it is perhaps the most pervasive. It knows no boundaries of geography, culture or wealth. As long as it continues, we cannot claim to be making real progress towards equity, development and peace.'' I could not agree more. My International Violence Against Women Act marshals together, for the first time, coordinated American resources, good will and leadership to address this global issue. I believe the time is now for the U.S. to get actively engaged in the fight for women's lives and girls' futures.

Over the past 30 years, the understanding of human rights and violence against women has metamorphosed. A State's responsibility to protect women from violence has evolved—what was once seen largely as a private, family or cultural matter is now understood by the international community as a violation of basic human rights. Violence against women is a legal wrong. It cannot be excused or justified or ignored. It is an engrained social norm but one that we can dismantle over time—one woman at a time—with patience, creativity and sustained political will. The International Violence Against Women Act is the first step.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be placed in the RECORD, as follows:

S. 2279

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''International Violence Against Women Act of 2007''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Violence against women and girls is rooted in multiple causes and takes many forms, including physical, sexual, and psychological. It affects all countries, social groups, ethnicities, religions, and socioeconomic classes and is a global health, economic development, and human rights problem of epidemic proportions.

(2) According to the World Health Organization—

(A) approximately 1 in 3 of the women in the world will experience violence in her lifetime, with rates of up to 70 percent in some countries; and

(B) 1 in 5 of the women in the world will be the victim of rape or attempted rape in her lifetime.

(3) According to the 2006 United Nations Secretary-General's report entitled Ending Violence Against Women, 102 member states have no specific laws on domestic violence.

(4) Women and girls face many different types of gender-based violence, including forced or child marriage, so-called ''honor killings'', dowry-related murder, human trafficking, and female genital mutilation. The United Nations estimates that at least 5,000 so-called ''honor killings'' take place each year around the world and that more than 130,000,000 girls and young women worldwide have been subjected to female genital mutilation.

(5) The President's Emergency Plan for AIDS Relief 2006 Report on Gender-Based Violence and HIV/AIDS reports that violence against women is a public health and development problem that significantly increases susceptibility to HIV/AIDS. A United Nations study on the global AIDS epidemic found that in sub-Saharan Africa, women who are 15 to 24 years old can be infected at rates that are up to 6 times higher than men of the same age.

(6) Recent studies in Africa indicate that between 16 and 47 percent of girls in primary and secondary school report sexual abuse or harassment by male teachers or classmates. Girls who experience sexual violence at school are also more likely to experience unintended pregnancies or become infected with sexually transmitted infections, including HIV/AIDS.

(7) Rape and sexual assault are weapons of war used to torture, intimidate, and terrorize women and communities. Amnesty International reports that women have suffered from sexual violence during conflicts in Rwanda, the former Yugoslavia, Sierra Leone, and most recently in the Democratic Republic of the Congo, where women have suffered from brutal and systematic sexual assaults.

(8) Displaced, refugee, and stateless women and girls in humanitarian emergencies, conflict settings, and natural disasters face extreme violence and threats because of power inequities, including being forced to exchange sex for food and humanitarian supplies, and being at increased risk of rape, sexual exploitation, and abuse.

(9) According to the United States Agency for International Development (USAID)—

(A) 70 percent of the 1,300,000,000 people living in poverty in the world are women and children;

(B) ⅔ of the 876,000,000 illiterate adults in the world are women;

(C) ⅔ of the 125,000,000 school-aged children who are not in school are girls;

(D) more than ¾ of the 27,000,000 refugees in the world are women and children; and

(E) 1,600 women die unnecessarily every day during pregnancy and childbirth.

(10) In 2003, the United Nations Special Rapporteur on Violence Against Women concluded that violence against women violates the basic human rights of women, results in ''devastating consequences for women who experience it, traumatic impact on those who witness it, de-legitimization of States that fail to prevent it and the impoverishment of entire societies that tolerate it.''.

(11) Violence against women is an impediment to the health, opportunity, and development of women and their societies. According to an October 2006 study of the United Nations Secretary General entitled Ending Violence Against Women, ''Violence against women impoverishes women, their families, communities and nations. It lowers economic production, drains resources from public services and employers, and reduces human capital formation.''.

(12) The World Bank recognizes that women's health, education, and economic opportunities directly impact the development and well being of their families and their societies. A 2001 World Bank Report, entitled Engendering Development, reports that greater gender equality leads to improved nutrition, lower child mortality, less government corruption, higher productivity, and reduced HIV infection rates.

(13) Increased access to economic opportunities is crucial to the prevention of and response to domestic and sexual violence. Both microfinance-based interventions and increased asset control have been shown to reduce levels of intimate partner violence in addition to providing economic independence for survivors.

(14) Campaigns to change social norms, including community organizing, media campaigns, and efforts to engage and educate men and boys, have been shown to change attitudes that condone and tolerate violence against women and girls and reduce violence and abuse.

SEC. 3. STATEMENT OF POLICY.

It is the policy of the United States—

(1) to promote women's political, economic, educational, social, cultural, civil, and human rights and opportunities throughout the world;

(2) to condemn and combat violence against women and girls, and to promote and assist other governments in preventing and responding to such violence;

(3) to promote ending violence against women and girls around the world, whether the abuse is committed directly by a foreign government, is implicitly committed by such government through hostile laws or de jure mandates to disenfranchise women, or is committed by private actors and the government fails to address the abuse;

(4) to encourage foreign governments to enact and implement effective legal reform to combat violence against women and girls, and to encourage access to justice, true accountability for abusers, and meaningful redress and support for victims;

(5) to systematically integrate and coordinate efforts to prevent and respond to violence against women and girls into United States foreign policy and foreign assistance programs, and to expand implementation of effective practices and programs;

(6) to fully implement the comprehensive international strategy set forth in section 300G of the Foreign Assistance Act of 1961, as added by this Act, which provides assistance to eligible countries to reduce and prevent gender-based violence with coordinated efforts in the criminal justice, health, education, and economic sectors;

(7) to support and build capacity of indigenous nongovernmental organizations that are working to prevent and respond to violence against women and girls, particularly women's nongovernmental organizations, and to support and encourage United States organizations working in partnership with such nongovernmental organizations;

(8) to prevent and respond to violence against women and girls through multisectoral methods, working at individual, family, community, local, national, and international levels and incorporating service, prevention, training, and advocacy activities and economic, education, health, legal, and protective intervention services;

(9) to coordinate activities with recipient country governments, as appropriate, and with other bilateral, multilateral, nongovernmental, and private sector actors active in the relevant sector and country;

(10) to foster international and regional cooperation with an aim towards defining regional strategies, as appropriate, for preventing and responding to violence against women and girls, and exchanging data and successful strategies;

(11) to work through international organizations of which the United States is a member, including the United Nations and its specialized agencies, funds and programs to encourage, promote, and advocate for stronger efforts and policies to prevent and end violence against women and girls;

(12) to enhance training and other programs to prevent and respond to violence against women and girls in humanitarian relief, conflict, and post-conflict operations;

(13) to enhance training by United States personnel of professional foreign military and police forces and judicial officials to include specific and thorough instruction on preventing and responding to violence against women and girls;

(14) to press for the implementation of policies and practices in global peace and security efforts, including United Nations peacekeeping and policing operations, that prevent and respond to violence against women and girls and hold personnel accountable for the full implementation of these policies and practices.

SEC. 4. DEFINITIONS.

In this Act:

(1) VIOLENCE AGAINST WOMEN AND GIRLS.—The term ''violence against women and girls''—

(A) means any act of gender-based violence against women or girls committed because of their gender that results in, or is likely to result in, physical, sexual, or psychological harm or suffering to women, including threats of such acts, coercion, or arbitrary deprivations of liberty, whether occurring in public or private life; and

(B) includes—

(i) physical, sexual, and psychological violence occurring in the family, including battering, sexual abuse of female children in the household, dowry-related violence, marital rape, female genital mutilation and other traditional practices harmful to women, nonspousal violence, and violence related to exploitation;

(ii) physical, sexual, and psychological violence occurring within the general community, including rape, sexual abuse, sexual harassment and intimidation at work, in educational institutions and elsewhere, trafficking in women, and forced prostitution; and

(iii) physical, sexual, and psychological violence perpetrated or condoned by the state, wherever it occurs.

(2) ELIGIBLE COUNTRIES.—The term ''eligible countries'' means countries that are not classified as high-income countries in the most recent edition of the World Development Report for Reconstruction and Development published by the International Bank for Reconstruction and Development.

TITLE I—COORDINATION AND POLICY PLANNING

SEC. 101. OFFICIAL POSITIONS AND INSTITUTIONAL CHANGES.

Chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2166 et seq.) is amended by adding at the end the following:

''TITLE XIII—INTERNATIONAL PREVENTION OF VIOLENCE AGAINST WOMEN AND GIRLS

''SEC. 300A. VIOLENCE AGAINST WOMEN AND GIRLS DEFINED.

''In this title, the term 'violence against women and girls' has the meaning given that term in section 5 of the International Violence Against Women Act of 2007.

"Subtitle A—Official Positions and Institutional Changes

"SEC. 300B. OFFICE OF WOMEN'S GLOBAL INITIATIVES.

''(a) ESTABLISHMENT.—There is established in the Office of the Secretary of State in the Department of State, the Office of Women's Global Initiatives. The office shall be headed by the Coordinator of the Office of Women's Global Initiatives (referred to in this title as the 'Coordinator'), who shall be appointed by the President, by and with the advice and consent of the Senate. The Coordinator shall report directly to the Secretary and shall have the rank and status of Ambassador at Large.

''(b) PURPOSE.—The Office of Women's Global Initiatives shall be the sole office coordinating all efforts of the United States Government regarding international women's issues and is intended to replace the Office of International Women's Issues in the Office of the Under Secretary for Democracy and Global Affairs in the Department of State.

''(c) DUTIES.—The Coordinator shall have the following responsibilities:

''(1) IN GENERAL.—The Coordinator shall—

''(A) design, oversee, and coordinate activities and programs of the United States Government relating to international women's issues; and

''(B) direct United States Government resources to—

''(i) prevent and respond to violence against women and girls throughout the world; and

''(ii) develop the comprehensive international strategy described in section 300G to reduce violence against women and girls.

''(2) PRINCIPAL ADVISOR.—The Coordinator shall serve as the principal advisor to the Secretary of State regarding foreign policy matters relating to women, including violence against women and girls.

''(3) COORDINATING ROLE.—The Coordinator shall—

''(A) oversee and coordinate all resources and activities of the United State Government to combat violence against women and girls internationally, including developing strategies for the integration of efforts to prevent and respond to gender-based violence into United States assistance programs;

''(B) coordinate all policies, programs, and funding related to violence against women and girls internationally of the Department of State, including—

''(i) the Bureau of Population, Refugees, and Migration;

''(ii) the Bureau of Democracy, Human Rights, and Labor;

''(iii) the Bureau for International Narcotics and Law Enforcement Affairs;

''(iv) the Bureau of Education and Cultural Affairs;

''(v) the Bureau of Political Military Affairs;

''(vi) the Bureau of International Organizations Affairs;

''(vii) the Bureau of Economic and Business Affairs;

''(viii) the Foreign Service Institute;

''(ix) the Office of the Coordinator for Reconstruction and Stabilization;

''(x) the Office to Monitor and Combat Trafficking in Persons;

''(xi) the Office of the United States Global AIDS Coordinator; and

''(xii) all regional bureaus and offices;

''(C) coordinate all policies, programs, and funding related to violence against women and girls internationally in the Department of Justice, the Department of Labor, the Department of Health and Human Services, the Department of Defense, and the Department of Homeland Security;

''(D) coordinate all policies, programs, and funding relating to violence against women and girls internationally in the United States Agency for International Development (USAID), including the Women's Global Development Office;

''(E) monitor and evaluate all such gender-based violence programs administered by the entities listed in subparagraphs (B) through (D), as necessary;

''(F) coordinate all policies, programs, and funding of the Millennium Challenge Corporation relating to violence against women and girls internationally;

''(G) design, integrate, and, as appropriate, implement policies, programs, and activities related to women's health, education, economic development, legal reform, social norm changes, women's human rights, and protection of women in humanitarian crises, including those identified pursuant to section 300G(c); and

''(H) encourage departments listed in subparagraph (C) to create agency-specific programmatic guidelines on addressing violence against women and girls internationally and monitor implementation of those guidelines.

''(4) DIPLOMATIC REPRESENTATION.—Subject to the direction of the President and the Secretary of State, the Coordinator is authorized to represent the United States in matters relevant to violence against women and girls internationally in—

''(A) contacts with foreign governments, nongovernmental organizations, the United Nations and its specialized agencies, and other international organizations of which the United States is a member; and

''(B) multilateral conferences and meetings relevant to violence against women and girls.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $10,000,000 for each of fiscal years 2008 through 2012, under the heading 'Diplomatic and Consular Programs', to carry out activities under this section. Funds appropriated pursuant to this subsection shall be under the direct control of the Coordinator.

"SEC. 300C. WOMEN'S GLOBAL DEVELOPMENT OFFICE.

''(a) ESTABLISHMENT.—There is established, within the United States Agency for International Development, the Office of Women's Global Development. The Office of Women's Global Development shall be headed by the Director of Women's Global Development (referred to in this title as the 'Director'), who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall report directly to the Administrator of the United States Agency for International Development and shall consult regularly with the Coordinator of the Office of Women's Global Initiatives.

''(b) PURPOSE.—The Office of Women's Global Development shall be the sole office coordinating all efforts of the United States Agency for International Development (USAID) regarding international women's issues and is intended to replace the Office of Women in Development in USAID in existence on the date of the enactment of this title.

''(c) DUTIES.—

''(1) IN GENERAL.—The Director shall—

''(A) integrate gender into all policies, programs, and activities of the United States Agency for International Development to improve the status of women, increase opportunities for women, and support the overall development goals of United States programs and assistance;

''(B) ensure that efforts to prevent and respond to violence against women and girls are integrated into United States Government foreign assistance programs at the strategic planning and country operational plan levels; and

''(C) monitor the manner in which such activities are integrated, programmed, and implemented in each country plan.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $15,000,000 for each of fiscal years 2008 through 2012 to carry out activities and collaboration related to preventing and responding to gender-based violence. Funds appropriated pursuant to this subsection shall be under the direct control of the Director. Such funds are in addition to amounts otherwise available for such purposes.

"SEC. 300D. ADVISORY COMMISSION ON INTERNATIONAL VIOLENCE AGAINST WOMEN.

''(a) ESTABLISHMENT.—There is established within the Department of State an Advisory Commission on International Violence Against Women (in this section referred to as the 'Advisory Commission').

''(b) MEMBERSHIP.—

''(1) APPOINTMENT.—The Advisory Commission shall be composed of—

''(A) the Coordinator of Women's Global Initiatives, who shall serve as chair, and the Director of the Women's Global Development Office, both of whom shall serve ex officio as nonvoting members of the Advisory Commission;

''(B) 8 members appointed by the Secretary of State who are not officers or employees of the Federal Government;

''(C) 3 members appointed by the President pro tempore of the Senate on the joint recommendation of the Majority and Minority Leaders of the Senate; and

''(D) 3 members appointed by the Speaker of the House of Representatives on the joint recommendation of the Majority and Minority Leaders of the House of Representatives.

''(2) SELECTION.—Members of the Advisory Commission shall be selected from among—

''(A) distinguished individuals noted for their knowledge and experience in fields relevant to the issue of international violence against women and girls, including foreign affairs, human rights, and international law;

''(B) representatives of nongovernmental organizations and other institutions having knowledge and expertise related to violence against women and girls; and

''(C) academics representative of the various scholarly approaches to the issue of international violence against women and girls.

''(3) TIME OF APPOINTMENT.—The appointments required under paragraph (1) shall be made not later than 120 days after the date of the enactment of this title.

''(4) TERMS.—The term of each member appointed to the Advisory Commission shall be 3 years. Members shall be eligible for reappointment to a second term.

''(c) DUTIES.—The Advisory Commission shall—

''(1) annually make recommendations to the Secretary of State regarding best practices to prevent and respond to violence against women and girls internationally and the effective integration of such practices into the foreign policy of the United States, including assistance programming; and

''(2) consult with members of the United States Government and with private groups and individuals on the prevention and response to international violence against women and girls.

''(d) HEARINGS.—In carrying out this section, the Advisory Commission may conduct such hearings, sit and at such times and places, take such testimony, and receive such evidence, as the Advisory Commission considers appropriate.

''(e) FUNDING.—Members of the Advisory Commission shall be allowed travel expenses, including per diem in lieu of subsistence at rates authorized for employees of agencies

under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of duties for the Advisory Commission.

''(f) REPORT OF THE ADVISORY COMMISSION.—Not later than May 1 of each year, the Advisory Commission shall submit a report to the President, the Secretary of State, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives that sets forth its findings and recommendations for United States policy and programs.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $300,000 for each of the fiscal years 2008 through 2012 to carry out this section.''.

SEC. 102. POLICY AND PROGRAMS.

Chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2166 et seq.), as amended by section 101, is further amended by adding at the end the following:

''Subtitle B—Policy and Programs

''SEC. 300G. COMPREHENSIVE INTERNATIONAL STRATEGY TO REDUCE AND PREVENT VIOLENCE AGAINST WOMEN AND GIRLS.

''(a) DEVELOPMENT AND IMPLEMENTATION OF STRATEGY.—Not later than 1 year after the date of the enactment of this title, the President, with the assistance of the Coordinator of Women's Global Initiatives and Director of Women's Global Development, shall develop and commence implementation of a comprehensive, 5-year international strategy to prevent and respond to violence against women and girls internationally, and shall submit it to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives.

''(b) COLLABORATION.—In developing the strategy under subsection (a), the President, with the assistance of the Coordinator, shall consult with—

''(1) the Secretary of State, including the offices and bureaus listed in section 300B(b)(3)(B), other executive agencies listed in section 300B(b)(3)(C), United States aid agencies and offices as listed in section 300B(b)(3)(D), the Millennium Challenge Corporation listed in section 300B(b)(3)(E), and Interagency Task Force to Monitor and Combat Trafficking; and

''(2) nongovernmental organizations with demonstrated expertise working on violence against women and girls, women's health, or women's empowerment issues internationally.

''(c) CONTENT.—The strategy developed under subsection (a) shall—

''(1) identify between 10 and 20 eligible countries that are geographically, ethnically, and culturally diverse, and have severe levels of violence against women and girls;

''(2) describe the nature and extent of violence against women and girls in each country;

''(3) identify how and to what extent the violence against women and girls in each country is negatively affecting goals of improving the health, education, economic, democracy and civic participation, criminal justice, and internally displaced persons and refugee management sectors in such country and its region;

''(4) assess the efforts of the government in each country to prevent and respond to violence against women and girls and assess the potential capacity of each country to manage 2 or more of the gender violence-based program activities identified under subsection (d);

''(5)(A) describe the programs to be undertaken in cooperation with the governments of each country in specific areas for progress in preventing and responding to violence against women and girls;

''(B) identify resources to help implement programs; and

''(C) encourage development of national action plans;

''(6) for each country, identify 2 or more of the program activities listed in subsection (d) and describe how the selected programs will prevent and respond to the problem of violence against women and girls, including—

''(A) increasing legal and judicial protections;

''(B) enhancing the capacity of the health sector to respond to such violence;

''(C) increasing opportunities for women and girls in education and economic development; or

''(D) promoting societal awareness and changing social norms;

''(7) include, as appropriate, strategies designed to accommodate the needs of stateless, internally displaced, refugee, or religious or ethnic minority women and girls;

''(8) project general levels of resources needed on an annual basis to achieve the stated objective in each country, taking into account activities and funding provided by other donor country governments and other multilateral institutions and leveraging private sector resources;

''(9) include potential coordination with existing programs, initiatives, and expertise on preventing and responding to violence against women and girls that exist within nongovernmental organizations, including in-country, civil society organizations, particularly women's organizations and community-based groups;

''(10) identify the Federal departments and agencies involved in the execution of the relevant program activities; and

''(11) describe the monitoring and evaluation mechanisms established for each country and how they will be used to assess overall progress in preventing and responding to violence against women and girls.

''(d) PROGRAM ACTIVITIES SUPPORTED.—Assistance provided under this section shall be used to carry out, in each of the countries identified in the strategy required pursuant to subsection (a), 2 or more of the following program activities:

''(1) Increasing legal and judicial protections by—

''(A) supporting programs that strengthen a coordinated community response to violence against women and girls, including through coordination between judges, police, prosecutors, and legal advocates to enhance prospects for perpetrator accountability;

''(B) supporting efforts and providing resources to provide training and technical assistance to police, prosecutors, forensic physicians, lawyers, corrections officers, judges, and judicial officials, and where appropriate, to nonlawyer advocates and traditional community authorities on violence against women and girls;

''(C) supporting efforts to reform and revise criminal and civil laws to prohibit violence against women and girls and create accountability for perpetrators;

''(D) enhancing the capacity of the justice sector, including keeping official records of all complaints, collecting and safeguarding evidence, systematizing and tracking data on cases of violence against women and girls, and undertaking investigations and evidence gathering expeditiously;

''(E) helping women and girls who are victims of violence gain access to the justice sector and supporting them throughout the legal process, including establishing victim and witness units for courts and promoting support for survivor services, including hotlines and shelters;

''(F) promoting civil remedies in cases of domestic violence that—

''(i) prioritize victim safety and confidentiality and offender accountability;

''(ii) grant women and children restraining, protection, or removal orders with appropriate criminal sanctions for violations against perpetrators of violence;

''(iii) strengthen and promote women's custodial rights over children and protect children; and

''(iv) grant courts authority to provide specific relief pursuant to a restraining or removal order, including restitution, spousal maintenance, child support, payment of debt, or return or equitable distribution of property;

''(G) reducing the incidence of violence against women and girls committed by government officials by developing confidential mechanisms for reporting violence against women and girls committed by government officials and institutions and developing laws to punish the perpetrators and remove immunity from state officials;

''(H) promoting broader legal protection for women and girls against all forms of violence against women and girls, such as female infanticide and female genital mutilation, and practices that are associated with higher rates of violence against women and girls, such as child and forced marriage; and

''(I) increasing the number of women advocates trained to respond to violence against women and girls at police stations, including the creation of domestic violence units and increasing the number of women police.

''(2) Carrying out health care initiatives, including—

''(A) promoting the integration of programs to prevent and respond to violence against women and girls into existing programs addressing child survival, women's health, family planning, mental health, and HIV/AIDS prevention, care, and treatment;

''(B) training of health care providers, including traditional birth attendants, on methods to safely and confidentially assess women and girls seeking health services for intimate partner, family, and sexual violence;

''(C) developing and enforcing national and operational women's health, children's health, and HIV/AIDS policies that prevent and respond to violence against women and girls, with accompanying resources, including through cooperative efforts with ministries of health;

''(D) developing information gathering systems within the health care sector that, consistent with safety and confidentiality concerns, collect and compile data on the type of violence experienced by women and girls, access to care, age of victims, and relationship of victims to perpetrators;

''(E) working with governments to develop partnerships with civil society organizations to create referral networks systems for psychosocial, legal, economic, or other support services; and

''(F) integrating screening and assessment for gender-based violence into HIV/AIDS programming and other health programming into all country operation plans, and increasing women's access to information, strategies, and services to protect themselves from HIV/AIDS.

''(3) Conducting public awareness programs to change social norms and attitudes, including—

''(A) supporting women survivors of violence to educate their communities on the impacts of violence;

''(B) engaging men, including faith and traditional leaders;

''(C) providing funding and programmatic support for mass media social change campaigns; and

''(D) supporting community efforts to change attitudes about harmful traditional practices, including child marriage, female genital mutilation, and so-called 'honor killings'.

''(4) Improving economic opportunities for women and girls, including—

''(A) supporting programs to help women meet their economic needs and to increase their economic opportunities, in both rural and urban areas, including through support for—

''(i) the establishment and development of businesses (micro, small, and medium-sized enterprises) through access to financial and nonfinancial services; and

''(ii) education, literacy, and numeracy programs, leadership development and job skills training, especially in nontraditional fields and expected growth sectors;

''(B) supporting programs to help increase property rights, social security, and home ownership and land tenure security for women by—

''(i) promoting equitable extension of property and inheritance rights, particularly rights to familial and marital property;

''(ii) promoting legal literacy, including among faith and traditional leaders, about women's property rights; and

''(iii) helping women to make land claims and protecting women's existing claims and advocating for equitable land titling and registration for women, including safeguards for women title-holders in the case of domestic violence disputes;

''(C) integrating activities to prevent and respond to violence against women and girls into existing economic opportunity programs by—

''(i) integrating education on violence against women and girls into women's microfinance, microenterprise, and job skills training programs; and

''(ii) training providers of economic opportunity services and programs in sensitivity to violence against women and girls; and

''(D) addressing violence against women and girls in the workplace.

''(5) Improving educational opportunities for women and girls, including—

''(A) supporting efforts and providing resources to provide training for all teachers and school administrators on school-related violence, in particular increasing awareness of violence against women and girls, and to improve reporting, referral, and implementation of codes of conduct;

''(B) working to ensure the safety of girls during their travel to and from school and on school grounds;

''(C) including programs for girls and boys on the unacceptability of violence against women and girls; and

''(D) conducting national and baseline surveys to collect data on school-related violence against women and girls.

''SEC. 300H. ASSISTANCE TO REDUCE INTERNATIONAL VIOLENCE AGAINST WOMEN AND GIRLS INTERNATIONALLY.

''(a) COORDINATING EXISTING AID PROGRAMS.—The Coordinator of the Women's Global Initiatives, working with the Director of the Office of Women's Global Development, shall ensure that existing programs, contracts, grants, agreements, and foreign assistance under the Foreign Assistance Act of 1961 (22 U.S.C. 2166 et seq.), the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2601 et seq.), the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7101 et seq.), the United States Leadership Against HIV/AIDS, Tuberculosis and Malaria Act of 2003 (22 U.S.C. 7601 et seq.), the Support for East European Democracy (SEED) Act of 1989 (22 U.S.C. 5401 et seq.), the FREEDOM Support Act (22 U.S.C. 5851 et seq.), and other Acts authorizing foreign assistance incorporate, as applicable, measures to prevent and respond to violence against women and girls.

''(b) AUTHORITY.—To implement and execute the comprehensive international strategy developed pursuant to section 300G, the President is authorized to provide assistance to nongovernmental organizations, multilateral institutions, and foreign countries for program activities described in section 300G(d).

''(c) ALLOCATE NEW FUNDING.—The Coordinator of the Office of Women's Global Initiatives is authorized to allocate funds to implement and execute the comprehensive international strategy developed pursuant to section 300G.

''(d) USE OF FUNDS.—Any funds made available under this section to nongovernmental organizations must be designated to organizations that have demonstrated expertise regarding violence against women and girls internationally, or that are in partnership with such organizations and that have demonstrated capabilities or expertise in a particular program activity described in subsection 300G(d).

''(e) GRANTS TO WOMEN'S NONGOVERNMENTAL ORGANIZATIONS AND COMMUNITY-BASED ORGANIZATIONS.—Not less than 10 percent of the funds awarded in a fiscal year under this section shall be awarded to women's nongovernmental organizations and community-based organizations.

''(f) AWARD PROCESS.—Funds awarded under this section shall be provided through an open, competitive, and transparent process where possible.

''(g) CONDITIONS.—Entities receiving funds awarded through the grant program established under this section—

''(1) should include the collection of data and the evaluation of program effectiveness;

''(2) should be responsible for developing and reporting on outcomes related to preventing and responding to violence against women and girls;

''(3) should gather input from women's nongovernmental organizations or community-based organizations, including organizations with expertise in preventing and responding to violence against women and girls; and

''(4) shall consider the safety of women and girls as a primary concern in deciding how to design, implement, monitor, and evaluate programs.

''(h) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There is authorized to be appropriated to the Office of Women's Global Initiatives $175,000,000 for each of the fiscal years 2008 through 2012 to carry out this section and section 300G.

''(2) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to paragraph (1) shall remain available until expended.

''(3) NONSUPPLANTATION.—Funds authorized and appropriated under this Act shall supplement, not supplant, existing funds otherwise available for activities under this title.

''SEC. 300I. ANNUAL REPORT ON UNITED STATES EFFORTS TO END INTERNATIONAL VIOLENCE AGAINST WOMEN AND GIRLS.

''(a) IN GENERAL.—Not later than 1 year after the submission of the comprehensive international strategy developed under section 300G, and annually thereafter, the Secretary of State, assisted by the Coordinator of Women's Global Initiatives, shall submit to Congress a report to be entitled the 'Report on International Violence Against Women and Girls'.

''(b) CONTENT.—The report required under subsection (a) shall include the following:

''(1) The goals and objectives of the comprehensive international strategy developed under section 300G(a).

''(2) The specific criteria used to determine the effectiveness of the strategy.

''(3) A description of the coordination of all United States Government resources and international activities to prevent and respond to the problem of violence against women and girls, including—

''(A) an identification of the Federal agencies involved;

''(B) a description of the coordination between Federal agencies and departments, including those acting in the eligible countries; and

''(C) a description of the coordination with non-United States Government entities, including the governments of eligible countries, multilateral organizations and institutions, and nongovernmental organizations.

''(4) A description of the relationship between efforts to prevent and respond to violence against women and girls internationally and other United States assistance strategies in developing countries and diplomatic relationships.

''(5) A description of efforts to include gender-based violence in United States diplomatic and peacemaking initiatives.

''(6) A description of any significant efforts by bilateral and multilateral donors in support of preventing and responding to international violence against women and girls.

''(7) A description of the implementation of the agency-specific guidelines described in section 300B(d)(3)(H).

''(8) A description of the activities of, and funding provided for programs that prevent and respond to violence against women and girls in humanitarian relief, conflict and post-conflict operations, including violence perpetrated by humanitarian workers.

''(9) A description of United States training of foreign military and police forces, judicial officials, and humanitarian relief grantees to prevent and respond to violence against women and girls.

''(10) A description of data collection efforts conducted under this title.

''(11) Identification of all contractors, subcontractors, grantees, and subgrantees receiving United States funds for preventing and responding to violence against women and girls.

''(12) Recommendations related to best practices, effective strategies, and suggested improvements to enhance the impact of efforts to prevent and respond to violence against women and girls.

''(13) A description of efforts to evaluate the accountability and efficacy of the programs funded pursuant to section 300H(g).

''(14) A compilation of the descriptions on the nature and extent of violence against women and girls included in the annual Human Rights Reports required under section 116(d) of the Foreign Assistance Act of 1961, as amended by this Act.

''(15) The identification of countries or regions with critical outbreaks of violence against women and girls described in subsection 300L(h), including—

''(A) an analysis of the situations, including the factors driving the violence, the role of government, militia, rebel, or other armed forces in the violence; and

''(B) an analysis of United States and other multilateral, bilateral, or governmental efforts to prevent or respond to the violence, assist survivors, or hold the perpetrators accountable.

''(16) A description of United States resources that are being used—

''(A) to assist in efforts to prevent or respond to the critical outbreaks of violence described in section 300L(h);

''(B) assist survivors of such violence;

''(C) hold perpetrators accountable for such violence; and

''(D) encourage all parties to the armed conflict to protect women and girls from violence.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of State to meet the reporting requirements under this section—

''(1) $2,500,000 for fiscal year 2008; and

''(2) $500,000 for each of the fiscal years 2009 through 2012.

''SEC. 300J. DATA COLLECTION.

''(a) IN GENERAL.—The Coordinator of Women's Global Initiatives, assisted by the Administrator of the United States Agency for International Development and the Director of the Women in Development Office, shall be responsible for researching, collecting, monitoring, and evaluating data related to efforts to prevent and respond to violence against women and girls internationally.

''(b) USE OF FUNDS.—Funds made available under this section may be used for the following purposes:

''(1) To collect and analyze data on the scope and extent of all forms of violence against women and girls, including underdocumented forms of violence and violence against marginalized groups. This work may include original research or analysis of existing data sets.

''(2) To help governments of countries systematically collect and analyze data on violence against women and girls, including both national surveys and data collected by service providers.

''(3) To use internationally comparable indicators, norms, and methodologies for measuring the scope, prevalence, and incidence of violence against women and girls.

''(4) To include data on violence against women and girls in national and international data collection efforts, including those administered and funded by the United States Agency for International Development, the Millennium Challenge Corporation, and the Centers for Disease Control and Prevention.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $20,000,000 for each of the fiscal years 2008 through 2012 to carry out the activities under this section.

''SEC. 300K. ENHANCING UNITED STATES TRAINING OF FOREIGN MILITARY AND POLICE FORCES ON VIOLENCE AGAINST WOMEN AND GIRLS.

''(a) PURPOSE.—The purpose of this section is to ensure that United States programs to train foreign military and police forces and judicial officials include instruction on preventing and responding to violence against women and girls internationally.

''(b) COVERED PROGRAMS.—The programs covered under this section include—

''(1) activities authorized under the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.); and

''(2) activities under section 1206 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat. 3456) to build the capacity of foreign military and police forces to conduct counterterrorist operations or support military and stability operations in which the United States is participating.

''(c) AUTHORIZATION.—The Secretary of State and the Secretary of Defense, in consultation with the Coordinator of Women's Global Initiatives, shall—

''(1) incorporate training on how to prevent and respond to violence against women and girls into the basic training curricula of foreign military and police forces and judicial officials; and

''(2) ensure that United States assistance to units involved in regional or multilateral peacekeeping operations includes training on preventing and responding to violence against women and girls internationally.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $8,000,000 for each of the fiscal years 2008 through 2012 to carry out the activities under this section.

''SEC. 300L. ADDRESSING VIOLENCE AGAINST WOMEN AND GIRLS IN HUMANITARIAN RELIEF, PEACEKEEPING, CONFLICT, AND POST-CONFLICT OPERATIONS.

''(a) DEFINITIONS.—In this section, the term 'Inter-Agency Standing Committee' means the committee established in response to United Nations General Assembly Resolution 46/182 (1991).

''(b) ACTIVITIES OF THE DEPARTMENT OF STATE THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.—The Secretary of State and the Administrator of the United States Agency for International Development shall—

''(1) in consultation with the Coordinator of Women's Global Initiatives, provide assistance to programs that prevent and respond to violence against women and girls in all humanitarian relief, conflict, and post-conflict operations, including—

''(A) building the capacity of nongovernmental organizations to address the special protection needs of women and children affected by humanitarian, conflict, or post-conflict operations;

''(B) supporting local and international nongovernmental initiatives to prevent, detect, and report violence against women and girls;

''(C) conducting protection and security assessments for refugees and internally displaced persons in camps or in communities to improve the design and security of camps, with special emphasis on the security of women and girls;

''(D) supporting efforts to reintegrate survivors of a humanitarian relief, conflict, or post-conflict operation through education, psychosocial assistance, trauma counseling, family and community reinsertion and reunification, and medical assistance; and

''(E) providing legal services for women and girls who are victims of violence during a humanitarian relief, conflict or post-conflict operation, including the collection of evidence for war crime tribunals and advocacy for legal reform; and

''(2) require that all grantees deployed in humanitarian relief, conflict, and post-conflict operations—

''(A) comply with the Inter-Agency Standing Committee's Six Core Principles Relating to Sexual Exploitation and Abuse;

''(B) train all humanitarian workers in preventing and responding to violence against women and girls, including in the use of mechanisms to report violence against women and girls;

''(C) conduct appropriate public outreach to make known to the host community the mechanisms to report violence against women and girls; and

''(D) promptly and appropriately respond to reports of violence against women and girls and treat survivors in accordance with best practices regarding confidentiality.

''(c) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There is authorized to be appropriated to the Department of State and the United States Agency for International Development $40,000,000 for each of the fiscal years 2008 through 2010 for programs described in subsection (b)(1) that prevent and respond to violence against women and girls in humanitarian relief, conflict, and post-conflict operations, in addition to amounts otherwise available for such purposes.

''(2) FUNDING NOT AT EXPENSE OF OTHER HUMANITARIAN PROGRAMS.—Any amounts appropriated pursuant to paragraph (1) may not be provided at the expense of other humanitarian programs.

''(d) ACTIVITIES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.—The Administrator of the United States Agency for International Development, in consultation with the Coordinator of Women's Global Initiatives, shall designate and deploy, as appropriate, protection officers as an integral part of Disaster Assistance Response Teams to ensure that programs to prevent and address violence against women and girls are integrated into humanitarian relief, conflict, and post-conflict operations.

''(e) ACTIVITIES OF THE DEPARTMENT OF STATE.—Not later than 180 days after the date of the enactment of this title, the Secretary of State shall submit a report to Congress on efforts to—

''(1) require that all private military contracting firms hired by the Department of State for humanitarian relief, conflict, and post-conflict operations—

''(A) demonstrate a commitment to expanding the number and roles of women in such operations;

''(B) train all contractors who will be deployed to humanitarian relief, conflict, or post-conflict operations in preventing and responding to violence against women and girls. including in the use of mechanisms to report violence against women and girls;

''(C) conduct appropriate public outreach to make known to the host community the mechanisms to report violence against women and girls; and

''(D) promptly and appropriately respond to reports of violence against women and girls and treat survivors in accordance with best practices regarding confidentiality; and

''(2) assist women and girls formally involved in, or associated with, fighting forces as part of any multilateral or bilateral Disarmament, Demobilization, Rehabilitation and Reintegration efforts by providing—

''(A) protection and suitable separate facilities for women and girls in demobilization and transit centers;

''(B) equitable reintegration activities and opportunities to women and girls, including access to schooling, vocational training, employment, and childcare; and

''(C) essential medical care and psychosocial support for women and girls who are victims of gender-based violence.

''(f) ACTIVITIES OF THE DEPARTMENT OF DEFENSE.—The Secretary of Defense shall—

''(1) in consultation with the Coordinator of Women's Global Initiatives and the Director of the Office of Military Affairs of the Bureau of Democracy, Conflict and Humanitarian Assistance of the United States Agency for International Development, provide training in preventing and responding to violence against civilian women and girls to all United States military personnel, military contractors, military observers, and military police forces who will be deployed to humanitarian relief, conflict, and post-conflict operations;

''(2) in consultation with the Coordinator of Women's Global Initiatives and the Director of the Office of Military Affairs of the Bureau of Democracy, Conflict and Humanitarian Assistance, establish mechanisms for reporting incidences of violence against civilian women and girls by United States military personnel, military contractors, military observers, and police forces participating in humanitarian relief, peacekeeping, and post-conflict operations; and

''(3) establish appropriate public outreach to notify the civilian population of the mechanisms for reporting incidences of violence against civilian women and girls by United States military personnel, military

contractors, military observers, and police forces.

''(g) ADDRESSING VIOLENCE AGAINST CIVILIAN WOMEN AND GIRLS BY UNITED NATIONS PEACEKEEPERS.—

''(1) DEPARTMENT OF STATE ACTIVITIES.—The Secretary of State shall encourage member states of the United Nations—

''(A) to support expanding the number and roles of female officers in all United Nations peacekeeping missions, whether as military forces, civilian police, or military observers; and

''(B) to routinely put forward the names of qualified female candidates for senior United Nations military and civilian management positions, particularly for overseas missions.

''(2) SENSE OF CONGRESS REGARDING ACTIONS OF UNITED NATIONS PEACEKEEPERS.—It is the sense of Congress that the Secretary-General of the United Nations should continue to strengthen the existing ability of the United Nations Department of Peacekeeping Operations and the Department of Field Support to prevent and respond to violence against women and girls by United Nations military and civilian personnel by—

''(A) requiring that troop contributing countries properly train all soldiers on the United Nations guidelines regarding appropriate conduct towards civilians, in particular those guidelines that address violence against women and girls, before participation in United Nations peacekeeping missions;

''(B) supporting the expansion of the role and number of female officers in all United Nations peacekeeping missions, whether as military forces, civilian police, or military observers;

''(C) strongly encouraging all United Nations member states to routinely put forward the names of qualified female candidates for senior United Nations military and civilian management positions, particularly for overseas missions;

''(D) ensuring appropriate mechanisms are in place for individuals to safely bring allegations of violence against women and girls to the attention of United Nations peacekeeping mission commanders and the United Nations Office of Internal Oversight;

''(E) ensuring the capability and capacity for the United Nations Office of Internal Oversight to investigate all credible allegations of violence against women and girls timely and efficiently, and in a manner that protects the whistleblower;

''(F) improving informational programs for all United Nations personnel on their responsibility to prevent violence against women and girls and not to engage in acts of violence against women and girls;

''(G) demanding that troop contributing countries—

''(i) thoroughly investigate allegations of their nationals engaging in violence against women and girls while serving on United Nations peacekeeping missions; and

''(ii) punish those found guilty of such misconduct; and

''(H) continuing to permanently exclude individuals found to have engaged in violence against women and girls as well as troop contingent commanders and civilian managerial personnel complicit in such behavior, from participating in future United Nations peacekeeping missions.

''(h) EMERGENCY MEASURES FOR CRITICAL OUTBREAKS OF VIOLENCE DURING CONFLICT OR POST-CONFLICT OPERATIONS.—

''(1) EMERGENCY RESPONSE TO CRITICAL OUTBREAKS.—The Secretary of State, in consultation with the Coordinator of Women's Global Initiatives, the Director of National Intelligence, and the Secretary of Defense, shall identify and take emergency measures to respond to critical outbreaks of violence against women and girls in situations of armed conflict when it is determined that the violence is being used as a weapon of intimidation and abuse.

''(2) DETERMINATION.—Violence against women and girls shall be determined to be a 'critical outbreak' if—

''(A) a United States Government report, allied government information, or credible non-governmental or media accounts depict a widespread pattern of violence against women or girls, particularly rape and other forms of sexual abuse, that is escalating in the number of victims or brutality of attacks and that takes place in an environment of relative impunity; or

''(B) escalating violence against women or girls is part of an organized campaign by governmental or rebel forces or militias.

''(3) EMERGENCY MEASURES.—Not later than 180 days after the identification of a critical outbreak, the Secretary of State, in consultation with the Coordinator of Women's Global Initiatives, the Director of National Intelligence, and the Secretary of Defense, shall develop emergency measures to respond to the outbreak identified under paragraph (1).

''(4) CONSULTATION.—In developing emergency measures under paragraph (1), the Secretary of State, with the assistance of the Coordinator, shall consult with—

''(A) nongovernmental organizations with demonstrated expertise working on preventing and addressing systematic violence against women and girls as a weapon of intimidation and abuse in situations of conflict and war; and

''(B) international organizations, such as the United Nations and its subsidiary funds, agencies, and programs, which are preventing and addressing systematic violence against women and girls as a weapon of intimidation and abuse in situations of conflict and war.

''(5) CONTENT.—The emergency measures developed under paragraph (1) shall include a description of—

''(A) the bilateral and multilateral diplomatic efforts that the Secretary of State will take to address the critical outbreak, including—

''(i) efforts with the government in which the violence is occurring, governments of the region in which the violence is occurring, and other allied governments; and

''(ii) efforts in international fora, such as the United Nations and its subsidiary agencies, funds and programs, including in the United Nations Security Council, as appropriate; and

''(B) the efforts by the United States Government to—

''(i) protect women and girls at risk in a critical outbreak region;

''(ii) urge all parties to the armed conflict to protect women and girls; and

''(iii) facilitate the prosecution of those responsible for the violence in a critical outbreak area.

''(6) NOTICE.—The Secretary of State shall notify Congress of efforts to respond to critical outbreaks, including a description of the bilateral and multilateral diplomatic efforts of the Department of State.

''(i) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated under subsection (c), there is authorized to be appropriated such sums as may be necessary for emergency measures, including the expansion of reporting mechanisms and programs, for each critical outbreak of violence identified under this section.''.

SEC. 103. INCLUSION OF INFORMATION ON VIOLENCE AGAINST WOMEN AND GIRLS IN HUMAN RIGHTS REPORTS.

Section 116(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d)) is amended—

(1) in paragraph (10), by striking ''; and'' and inserting a semicolon;

(2) in paragraph (11)(C), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(12) wherever applicable, the nature and extent of violence against women and girls.''.

TITLE II—OTHER PROVISIONS

SEC. 201. AMENDMENTS TO FOREIGN SERVICE ACT OF 1980.

(a) PERFORMANCE PAY.—Section 405 of the Foreign Service Act of 1980 (22 U.S.C. 3965) is amended by adding at the end the following:

''(f) PROMOTION OF HUMAN RIGHTS.—Service in the promotion of internationally recognized human rights, including preventing and responding to violence against women and girls, shall serve as a basis for the award of performance pay.''.

(b) FOREIGN SERVICE AWARDS.—Section 614 of the Foreign Service Act of 1980 (22 U.S.C. 4013) is amended by inserting ''and preventing and responding to violence against women and girls'' after ''religion''.

(c) FOREIGN SERVICE TRAINING.—Chapter 2 of title I of the Foreign Service Act of 1980 is amended by adding at the end the following:

''SEC. 212. TRAINING FOR FOREIGN SERVICE OFFICERS.

''The Secretary of State, assisted by the Coordinator of Women's Global Initiatives, shall include, as part of the standard training provided for officers of the Service (including chiefs of mission), instruction on international violence against women and girls, including domestic and sexual violence against women and girls in humanitarian relief, conflict, and post-conflict operations.''.

SEC. 202. SUPPORT FOR MULTILATERAL EFFORTS TO END VIOLENCE AGAINST WOMEN AND GIRLS.

There is authorized to be appropriated to the International Organizations and Programs Account $5,000,000 for each of fiscal years 2008 through 2012 to support the United Nations Development Fund for Women Trust Fund in Support of Actions to Eliminate Violence Against Women.

SECTION-BY-SECTION SUMMARY OF THE INTERNATIONAL VIOLENCE AGAINST WOMEN ACT OF 2007

Sec. 1. Short Title.

Sec. 2. Table of Contents.

Sec. 3. Findings.—This section details the magnitude of the problem of violence against women and girls in families, communities, and countries around the world.

Sec. 4. Statement of Policy.—This section states that it is U.S. policy to promote women's political, economic, educational, social, cultural, civil, and human rights and opportunities throughout the world and to prevent and respond to violence against women and girls.

Sec. 5. Definitions.—This section defines ''violence against women as ''any act of gender-based violence against women or girls committed because of their gender that results in, or is likely to result in, physical, sexual, or psychological harm or suffering to women, including threats of such acts, coercion, or arbitrary deprivations of liberty, whether occurring in public or private life.'' (Identical to the widely-used, internationally-accepted definition.)

TITLE I: COORDINATION AND POLICY PLANNING

Sec. 101. Official Positions and Institutional Changes.—This section amends chapter 2, part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2166 et seq) by adding the following new title: ''Title XIII—International

Prevention of Violence Against Women and Girls''.

Sec. 300A. Violence Against Women and Girls Defined.—''Violence against women'' is defined in section 5 of the International Violence Against Women Act of 2007.

SUBTITLE A—OFFICIAL POSITIONS AND INSTITUTIONAL CHANGES

Sec. 300B. Office of Women's Global Initiatives.—This section establishes an ''Office of Women's Global Initiatives'' in the immediate office of the Secretary of State. The Coordinator of the Office of Women's Global Initiatives (the ''Coordinator'') will be appointed by the President with the advice and consent of the Senate and with the rank and status of Ambassador at Large. The Coordinator will design, oversee, and coordinate activities of the U.S. Government related to international women's issues, including violence against women and girls, and will develop the comprehensive international strategy as provided in this bill. The Coordinator will integrate efforts to reduce violence against women into existing U.S. Government assistance programs; allocate new funding to new programs; design, integrate, and implement new programs; and monitor and evaluate all programs. This section authorizes the appropriation of $15,000,000 for each of the fiscal years 2008–2012 to perform these office functions.

Sec. 300C. Women's Global Development Office.—This section establishes the Office of Women's Global Development within the United States Agency for International Development (USAID). The head of the office will be the Director of Women's Global Development (the ''Director''), who will be appointed by the President with the advice and consent of the Senate and will report directly to the Administrator. The Director will consult regularly with the Coordinator of the Office of Women's Global Initiatives. The Director will integrate gender into USAID programs and activities and will ensure that efforts to prevent and respond to violence against women and girls are integrated into U.S. Government assistance programs. This section authorizes the appropriation of $15,000,000 for each of the fiscal years 2008–2012 to perform these office functions.

Sec. 300D. Advisory Commission on International Violence Against Women and Girls.—This section establishes an Advisory Commission on International Violence Against Women in the Department of State. The Advisory Commission will be composed of the Coordinator of Women's Global Initiatives, the Director of the Women's Global Development Office, eight members appointed by the President, three members appointed by the President pro tempore of the Senate, and three members appointed by the Speaker of the House of Representatives. Members will have expertise in the issue of violence against women and girls internationally and will include representatives of nongovernmental organizations (NGOs), and academics. This section authorizes the appropriation of $300,000 for each of fiscal years 2008–2012 to carry out the Commission's activities.

Sec. 102. Policy and Programs.—This section adds the new subtitle: ''Subtitle B—Policy and Programs''.

Sec. 300G. Comprehensive International Strategy to Reduce and Prevent Violence Against Women and Girls.—This section mandates the President, with the assistance of the Coordinator of Women's Global Initiatives and the Director of the Women's Global Development Office, within one year of the enactment of the Act, to submit to Congress a 5–year, comprehensive strategy to combat violence against women internationally.

The strategy will identify 10–20 low to middle income countries that have severe levels of gender-based violence. The strategy will describe the violence problems in each country and how the domestic and/or sexual violence is preventing sustainable progress in meeting humanitarian and/or development goals. The strategy will assess each country's capacity for change and the necessary collaboration. For each country, the strategy will describe two or more new programs that will be implemented to address the gender-based violence. The strategy will explain the coordination with existing country programs, experts and organizations and will identify what U.S. government agencies will be involved for each country initiative. Finally, the strategy mandates monitoring, assessment and accountability mechanisms for each country's programs.

As mentioned, the strategy will designate two or more programs to be implemented in each of the selected countries. This section sets forth a menu of possible, new gender-based violence program activities within five different sectors—legal reform and judicial protection, health care initiatives, public awareness campaigns, economic improvements and increasing educational opportunities.

Sec. 300H. Assistance to Reduce Violence Against Women and Girls Internationally.—This section authorizes the Coordinator to incorporate measures combating violence against women into existing acts and government legislation. It gives the Coordinator authority to provide annually $175 million of new funding to federal agencies, NGOs, community-based organizations, foreign governments, and multilateral institutions seeking to prevent and to reduce violence against women through the activities described in the international strategy.

Sec. 300I. Annual Report on International Violence Against Women and Girls.—This section determines that, not more than one year after the enactment of this Act, the Secretary, with the assistance of the Coordinator and the Director, will submit an annual report to Congress on the U.S. progress to end international violence against women and girls. The report will incorporate the comprehensive international strategy and detail the progress of the grant programs, the collaboration with multinational organizations, the training administered to humanitarian and military forces on gender-based violence, and the status of best practices developed to address the violence. This section authorizes the appropriation of $2,500,000 for the year 2008 and $500,000 for each of fiscal years 2009–2012 to generate the report.

Sec. 300J. Data Collection, Research, Monitoring, and Evaluation.—This section states that the Coordinator, with the assistance of the Administrator of USAID and the Director of the Women's Global Development Office, is responsible for researching, collecting, monitoring, and evaluating data on the effectiveness of programs designed as part of the global strategy to address violence against women and girls. Funds will be used to conduct national surveys and original research, and to monitor the effectiveness of new and existing programs. This section authorizes the appropriation of $20,000,000 to carry out the activities listed.

Sec. 300K. Enhancing United States Training of Foreign Military and Police Forces on Violence Against Women and Girls.—This section mandates that the Secretary of State and the Secretary of Defense report to Congress on efforts to incorporate instruction on preventing and responding to violence against women and girls in all basic training curricula of foreign military and police forces and judicial officials, and that such training shall be a component of all U.S. assistance to regional or multilateral peacekeeping units. Under this section, $8,000,000 is authorized for each of fiscal years 2008–2012 to carry out such training activities.

Sec. 300L. Addressing Violence Against Women and Girls in Humanitarian Relief, Peacekeeping, Conflict, and Post-Conflict Operations.—This section increases the ability of the United States Agency for International Development, the Department of State and the Department of Defense to prevent and address violence against women and girls in humanitarian relief, peacekeeping, conflict and post-conflict operations.

Programs and grantee training.—Under this section, the Secretary of State and Administrator of USAID shall include programs to prevent and respond to violence against women and girls in all humanitarian relief, conflict, and post-conflict operations under their authority. There is authorized to be appropriated $40,000,000 for each of fiscal years 2008–2012 to carry out such activities.

The Secretary of State and Administrator of USAID shall also require that all grantees that are deployed in such operations comply with the Inter-Agency Standing Committee Guidelines for Gender-Based Violence, and train all humanitarian workers in preventing and responding to violence against women and girls. Such training shall include the use of mechanisms to report violence against women and girls. Grantees shall be required to conduct public outreach campaigns to make known to the host community the mechanisms to report incidents of violence against women and girls, promptly respond to reports of such violence, and treat survivors confidentially.

Disaster Assistance Response Teams (DARTS).—This section also mandates that the Administrator of USAID deploy, as appropriate, protection officers as part of Disaster Assistance Response Teams (DART) to implement programs to prevent and address violence against women and girls.

State Department Report on Private Military Contractors and DDR efforts.—Under this section, the Secretary of State is required to submit a report outlining the Department's efforts to require that all private military contracting firms hired for humanitarian relief, conflict, and post-conflict operations demonstrate a commitment to expanding the number and role of women, and train all contractors in preventing and responding to violence against women and girls, including in the use of mechanisms to report such violence.

The report shall also include information on the Department's efforts to establish programs to assist women and girls as part of any multilateral or bilateral Disarmament, Demobilization, Rehabilitation and Reintegration [DDRR] programs.

Emergency Measures to respond to violence in Armed Conflict.—This section requires the Secretary of State to take emergency measures to identify and respond to ''critical outbreaks'' of violence against women and girls being used as a weapon of intimidation and abuse in situations of conflict and war, and shall notify Congress with a description, including bilateral and multilateral efforts with the government in which the violence is occurring, and governments of the surrounding region.

Department of Defense Training.—This section requires the Secretary of Defense to provide training in preventing and responding to violence against civilian women and girls to all United States military personnel and contractors who will be deployed to humanitarian relief, conflict, and post-conflict operations. The training must include mechanisms for reporting incidences of violence, as well as public outreach to make known to the civilian population the mechanisms.

Sense of the Senate Concerning U.N. Peacekeepers.—This section expresses the Sense of the Senate that the UN Secretary General should strengthen the United Nations' capability to prevent and respond to violence against civilian women and girls by United Nations Peacekeepers.

Sec. 104. Inclusion of Information on Violence Against Women and Girls in Human Rights Reports.—This section amends Section 116(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n) to include a description of the nature and extent of violence against women in the Department of State's annual Human Rights Report.

TITLE II: OTHER PROVISIONS

Sec. 201. Amendments to Foreign Service Act of 1980.—This section amends Section 405 of the Foreign Service Act of 1980 (22 U.S.C. 3965) to provide that service in the promotion of human rights, including the rights of women and girls, will serve as a basis for performance pay.

Sec. 212. Training for Foreign Service Officers.—This section amends Chapter 2 of title I of the Foreign Service Act of 1980 to provide for training for foreign service officers on international violence against women.

Sec. 202. Support For Multilateral Efforts to End Violence Against Women and Girls.—This section authorizes the appropriation of $5,000,000 for each of fiscal years 2008–2012 to the United Nations Development Fund for Women (UNIFEM) Trust Fund in Support of Actions to Eliminate Violence Against Women.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 361—TO PERMIT THE COLLECTION OF DONATIONS IN SENATE BUILDINGS TO BE SENT TO UNITED STATES MILITARY PERSONNEL ON ACTIVE DUTY OVERSEAS PARTICIPATING IN OR IN SUPPORT OF OPERATION IRAQI FREEDOM, OPERATION ENDURING FREEDOM, AND THE WAR ON TERRORISM

Mr. MCCONNELL (for himself, Mr. REID, and Mr. BENNETT) submitted the following resolution; which was considered and agreed to:

S. RES. 361

Resolved,

SECTION 1. COLLECTION OF DONATIONS TO UNITED STATES MILITARY PERSONNEL.

(a) IN GENERAL.—Notwithstanding any other provision of the rules or regulations of the Senate—

(1) a Senator, officer, or employee of the Senate may collect from another Senator, officer, or employee of the Senate within Senate buildings nonmonetary donations to be sent to United States military personnel on active duty overseas participating in or in support of Operation Iraqi Freedom, Operation Enduring Freedom, and the war on terrorism; and

(2) a Senator, officer, or employee of the Senate may work with a nonprofit organization with respect to the delivery of donations that are collected as described in paragraph (1).

(b) EFFECTIVE PERIOD.—This resolution shall be in effect until December 31, 2007.

SENATE RESOLUTION 362—RECOGNIZING 2007 AS THE YEAR OF THE 100TH ANNIVERSARY OF THE AMERICAN SOCIETY OF AGRONOMY

Mr. HARKIN (for himself and Mr. CHAMBLISS) submitted the following resolution; which was considered and agreed to:

S. RES. 362

Whereas the American Society of Agronomy was founded on December 31, 1907, with Mark A. Carleton as the first President of the Society;

Whereas the American Society of Agronomy is one of the premier scientific societies in the world, as demonstrated by first-class journals, international and regional meetings, and development of a broad range of educational opportunities;

Whereas the science and scholarship of the American Society of Agronomy are mission-directed, and seek to foster exploration and application of agronomic science, with the goal of increasing and disseminating knowledge concerning the nature, use, improvement, and interrelationships of plants, soil, water, and the environment;

Whereas the American Society of Agronomy strives to obtain that goal by promoting effective research, disseminating scientific information, facilitating technology transfer, fostering high standards of education, striving to maintain high standards of ethics, promoting advancements in the agronomy profession, and cooperating with other organizations with similar objectives;

Whereas the American Society of Agronomy significantly contributes to the scientific and technical knowledge necessary to protect and sustain natural resources in the United States;

Whereas the American Society of Agronomy has a critical international role in developing sustainable agricultural management standards for the protection of land resources;

Whereas the mission of the American Society of Agronomy continues to expand, from the development of sustainable production of food, fiber, and forage, to the production of renewable energy and biobased industrial products;

Whereas the American Society of Agronomy certifies a body of professional Certified Crop Advisors and Certified Professional Agronomists who work closely with agricultural producers to develop nutrient management plans that are designed to minimize environmental risk in production agriculture;

Whereas, in industry, extension, and basic research, the American Society of Agronomy has fostered a dedicated professional and scientific community that, in 2007, includes more than 8,015 members and 13,015 certified crop advisor professionals; and

Whereas the American Society of Agronomy was the parent society that led to the formation of both the Crop Science Society of America and the Soil Science Society of America and later fostered the common overall management of these 3 related societies: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes 2007 as the 100th anniversary year of the American Society of Agronomy;

(2) commends the American Society of Agronomy for 100 years of dedicated service to advance the science and practice of agronomy; and

(3) acknowledges the promise of the American Society of Agronomy to continue to enrich the lives of all citizens, by improving stewardship of the environment, combating world hunger, and enhancing the quality of life for the next 100 years and beyond.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3491. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3963, to amend title XXI of the Social Security Act to extend and improve the Children's Health Insurance Program, and for other purposes; which was ordered to lie on the table.

SA 3492. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3963, supra; which was ordered to lie on the table.

SA 3493. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3963, supra; which was ordered to lie on the table.

SA 3494. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3963, supra; which was ordered to lie on the table.

SA 3495. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3963, supra; which was ordered to lie on the table.

SA 3496. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 3963, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 3491. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3963, to amend title XXI of the Social Security Act to extend and improve the Children's Health Insurance Program, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ____—HEALTH CARE CHOICE

SEC. __01. SHORT TITLE.

This title may be cited as ''Health Care Choice Act of 2007''.

SEC. __02. SPECIFICATION OF CONSTITUTIONAL AUTHORITY FOR ENACTMENT OF LAW.

This title is enacted pursuant to the power granted Congress under article I, section 8, clause 3, of the United States Constitution.

SEC. __03. FINDINGS.

Congress finds the following:

(1) The application of numerous and significant variations in State law impacts the ability of insurers to offer, and individuals to obtain, affordable individual health insurance coverage, thereby impeding commerce in individual health insurance coverage.

(2) Individual health insurance coverage is increasingly offered through the Internet, other electronic means, and by mail, all of which are inherently part of interstate commerce.

(3) In response to these issues, it is appropriate to encourage increased efficiency in the offering of individual health insurance coverage through a collaborative approach by the States in regulating this coverage.

(4) The establishment of risk-retention groups has provided a successful model for the sale of insurance across State lines, as the acts establishing those groups allow insurance to be sold in multiple States but regulated by a single State.

SEC. __04. COOPERATIVE GOVERNING OF INDIVIDUAL HEALTH INSURANCE COVERAGE.

(a) IN GENERAL.—Title XXVII of the Public Health Service Act (42 U.S.C. 300gg et seq.) is amended by adding at the end the following new part:

"PART D—COOPERATIVE GOVERNING OF INDIVIDUAL HEALTH INSURANCE COVERAGE

"SEC. 2795. DEFINITIONS.

''In this part:

''(1) PRIMARY STATE.—The term 'primary State' means, with respect to individual health insurance coverage offered by a health insurance issuer, the State designated by the issuer as the State whose covered laws shall govern the health insurance issuer in the sale of such coverage under this part. An issuer, with respect to a particular policy, may only designate one such State as its primary State with respect to all such coverage it offers. Such an issuer may not change the designated primary State with respect to individual health insurance coverage once the policy is issued, except that such a change may be made upon renewal of the policy. With respect to such designated State, the issuer is deemed to be doing business in that State.

''(2) SECONDARY STATE.—The term 'secondary State' means, with respect to individual health insurance coverage offered by a health insurance issuer, any State that is not the primary State. In the case of a health insurance issuer that is selling a policy in, or to a resident of, a secondary State, the issuer is deemed to be doing business in that secondary State.

''(3) HEALTH INSURANCE ISSUER.—The term 'health insurance issuer' has the meaning given such term in section 2791(b)(2), except that such an issuer must be licensed in the primary State and be qualified to sell individual health insurance coverage in that State.

''(4) INDIVIDUAL HEALTH INSURANCE COVERAGE.—The term 'individual health insurance coverage' means health insurance coverage offered in the individual market, as defined in section 2791(e)(1).

''(5) APPLICABLE STATE AUTHORITY.—The term 'applicable State authority' means, with respect to a health insurance issuer in a State, the State insurance commissioner or official or officials designated by the State to enforce the requirements of this title for the State with respect to the issuer.

''(6) HAZARDOUS FINANCIAL CONDITION.—The term 'hazardous financial condition' means that, based on its present or reasonably anticipated financial condition, a health insurance issuer is unlikely to be able—

''(A) to meet obligations to policyholders with respect to known claims and reasonably anticipated claims; or

''(B) to pay other obligations in the normal course of business.

''(7) COVERED LAWS.—The term 'covered laws' means the laws, rules, regulations, agreements, and orders governing the insurance business pertaining to—

''(A) individual health insurance coverage issued by a health insurance issuer;

''(B) the offer, sale, and issuance of individual health insurance coverage to an individual; and

''(C) the provision to an individual in relation to individual health insurance coverage of—

''(i) health care and insurance related services;

''(ii) management, operations, and investment activities of a health insurance issuer; and

''(iii) loss control and claims administration for a health insurance issuer with respect to liability for which the issuer provides insurance.

''(8) STATE.—The term 'State' means only the 50 States and the District of Columbia.

''(9) UNFAIR CLAIMS SETTLEMENT PRACTICES.—The term 'unfair claims settlement practices' means only the following practices:

''(A) Knowingly misrepresenting to claimants and insured individuals relevant facts or policy provisions relating to coverage at issue.

''(B) Failing to acknowledge with reasonable promptness pertinent communications with respect to claims arising under policies.

''(C) Failing to adopt and implement reasonable standards for the prompt investigation and settlement of claims arising under policies.

''(D) Failing to effectuate prompt, fair, and equitable settlement of claims submitted in which liability has become reasonably clear.

''(E) Refusing to pay claims without conducting a reasonable investigation.

''(F) Failing to affirm or deny coverage of claims within a reasonable period of time after having completed an investigation related to those claims.

''(10) FRAUD AND ABUSE.—The term 'fraud and abuse' means an act or omission committed by a person who, knowingly and with intent to defraud, commits, or conceals any material information concerning, one or more of the following:

''(A) Presenting, causing to be presented or preparing with knowledge or belief that it will be presented to or by an insurer, a reinsurer, broker or its agent, false information as part of, in support of or concerning a fact material to one or more of the following:

''(i) An application for the issuance or renewal of an insurance policy or reinsurance contract.

''(ii) The rating of an insurance policy or reinsurance contract.

''(iii) A claim for payment or benefit pursuant to an insurance policy or reinsurance contract.

''(iv) Premiums paid on an insurance policy or reinsurance contract.

''(v) Payments made in accordance with the terms of an insurance policy or reinsurance contract.

''(vi) A document filed with the commissioner or the chief insurance regulatory official of another jurisdiction.

''(vii) The financial condition of an insurer or reinsurer.

''(viii) The formation, acquisition, merger, reconsolidation, dissolution or withdrawal from one or more lines of insurance or reinsurance in all or part of a State by an insurer or reinsurer.

''(ix) The issuance of written evidence of insurance.

''(x) The reinstatement of an insurance policy.

''(B) Solicitation or acceptance of new or renewal insurance risks on behalf of an insurer reinsurer or other person engaged in the business of insurance by a person who knows or should know that the insurer or other person responsible for the risk is insolvent at the time of the transaction.

''(C) Transaction of the business of insurance in violation of laws requiring a license, certificate of authority or other legal authority for the transaction of the business of insurance.

''(D) Attempt to commit, aiding or abetting in the commission of, or conspiracy to commit the acts or omissions specified in this paragraph.

"SEC. 2796. APPLICATION OF LAW.

''(a) IN GENERAL.—The covered laws of the primary State shall apply to individual health insurance coverage offered by a health insurance issuer in the primary State and in any secondary State, but only if the coverage and issuer comply with the conditions of this section with respect to the offering of coverage in any secondary State.

''(b) EXEMPTIONS FROM COVERED LAWS IN A SECONDARY STATE.—Except as provided in this section, a health insurance issuer with respect to its offer, sale, renewal, and issuance of individual health insurance coverage in any secondary State is exempt from any covered laws of the secondary State (and any rules, regulations, agreements, or orders sought or issued by such State under or related to such covered laws) to the extent that such laws would—

''(1) make unlawful, or regulate, directly or indirectly, the operation of the health insurance issuer operating in the secondary State, except that any secondary State may require such an issuer—

''(A) to pay, on a nondiscriminatory basis, applicable premium and other taxes (including high risk pool assessments) which are levied on insurers and surplus lines insurers, brokers, or policyholders under the laws of the State;

''(B) to register with and designate the State insurance commissioner as its agent solely for the purpose of receiving service of legal documents or process;

''(C) to submit to an examination of its financial condition by the State insurance commissioner in any State in which the issuer is doing business to determine the issuer's financial condition, if—

''(i) the State insurance commissioner of the primary State has not done an examination within the period recommended by the National Association of Insurance Commissioners; and

''(ii) any such examination is conducted in accordance with the examiners' handbook of the National Association of Insurance Commissioners and is coordinated to avoid unjustified duplication and unjustified repetition;

''(D) to comply with a lawful order issued—

''(i) in a delinquency proceeding commenced by the State insurance commissioner if there has been a finding of financial impairment under subparagraph (C); or

''(ii) in a voluntary dissolution proceeding;

''(E) to comply with an injunction issued by a court of competent jurisdiction, upon a petition by the State insurance commissioner alleging that the issuer is in hazardous financial condition;

''(F) to participate, on a nondiscriminatory basis, in any insurance insolvency guaranty association or similar association to which a health insurance issuer in the State is required to belong;

''(G) to comply with any State law regarding fraud and abuse (as defined in section 2795(10)), except that if the State seeks an injunction regarding the conduct described in this subparagraph, such injunction must be obtained from a court of competent jurisdiction; or

''(H) to comply with any State law regarding unfair claims settlement practices (as defined in section 2795(9));

''(2) require any individual health insurance coverage issued by the issuer to be countersigned by an insurance agent or broker residing in that Secondary State; or

''(3) otherwise discriminate against the issuer issuing insurance in both the primary State and in any secondary State.

''(c) CLEAR AND CONSPICUOUS DISCLOSURE.—A health insurance issuer shall provide the following notice, in 12-point bold type, in any insurance coverage offered in a secondary State under this part by such a health insurance issuer and at renewal of the policy, with the 5 blank spaces therein being appropriately filled with the name of the health insurance issuer, the name of primary State, the name of the secondary State, the name of the secondary State, and the name of the secondary State, respectively, for the coverage concerned:

'This policy is issued by _____ and is governed by the laws and regulations of the State of _____, and it has met all the

laws of that State as determined by that State's Department of Insurance. This policy may be less expensive than others because it is not subject to all of the insurance laws and regulations of the State of _____, including coverage of some services or benefits mandated by the law of the State of _____. Additionally, this policy is not subject to all of the consumer protection laws or restrictions on rate changes of the State of _____. As with all insurance products, before purchasing this policy, you should carefully review the policy and determine what health care services the policy covers and what benefits it provides, including any exclusions, limitations, or conditions for such services or benefits.'.

''(d) PROHIBITION ON CERTAIN RECLASSIFICATIONS AND PREMIUM INCREASES.—

''(1) IN GENERAL.—For purposes of this section, a health insurance issuer that provides individual health insurance coverage to an individual under this part in a primary or secondary State may not upon renewal—

''(A) move or reclassify the individual insured under the health insurance coverage from the class such individual is in at the time of issue of the contract based on the health-status related factors of the individual; or

''(B) increase the premiums assessed the individual for such coverage based on a health status-related factor or change of a health status-related factor or the past or prospective claim experience of the insured individual.

''(2) CONSTRUCTION.—Nothing in paragraph (1) shall be construed to prohibit a health insurance issuer—

''(A) from terminating or discontinuing coverage or a class of coverage in accordance with subsections (b) and (c) of section 2742;

''(B) from raising premium rates for all policy holders within a class based on claims experience;

''(C) from changing premiums or offering discounted premiums to individuals who engage in wellness activities at intervals prescribed by the issuer, if such premium changes or incentives—

''(i) are disclosed to the consumer in the insurance contract;

''(ii) are based on specific wellness activities that are not applicable to all individuals; and

''(iii) are not obtainable by all individuals to whom coverage is offered;

''(D) from reinstating lapsed coverage; or

''(E) from retroactively adjusting the rates charged an individual insured individual if the initial rates were set based on material misrepresentation by the individual at the time of issue.

''(e) PRIOR OFFERING OF POLICY IN PRIMARY STATE.—A health insurance issuer may not offer for sale individual health insurance coverage in a secondary State unless that coverage is currently offered for sale in the primary State.

''(f) LICENSING OF AGENTS OR BROKERS FOR HEALTH INSURANCE ISSUERS.—Any State may require that a person acting, or offering to act, as an agent or broker for a health insurance issuer with respect to the offering of individual health insurance coverage obtain a license from that State, except that a State many not impose any qualification or requirement which discriminates against a nonresident agent or broker.

''(g) DOCUMENTS FOR SUBMISSION TO STATE INSURANCE COMMISSIONER.—Each health insurance issuer issuing individual health insurance coverage in both primary and secondary States shall submit—

''(1) to the insurance commissioner of each State in which it intends to offer such coverage, before it may offer individual health insurance coverage in such State—

''(A) a copy of the plan of operation or feasibility study or any similar statement of the policy being offered and its coverage (which shall include the name of its primary State and its principal place of business);

''(B) written notice of any change in its designation of its primary State; and

''(C) written notice from the issuer of the issuer's compliance with all the laws of the primary State; and

''(2) to the insurance commissioner of each secondary State in which it offers individual health insurance coverage, a copy of the issuer's quarterly financial statement submitted to the primary State, which statement shall be certified by an independent public accountant and contain a statement of opinion on loss and loss adjustment expense reserves made by—

''(A) a member of the American Academy of Actuaries; or

''(B) a qualified loss reserve specialist.

''(h) POWER OF COURTS TO ENJOIN CONDUCT.—Nothing in this section shall be construed to affect the authority of any Federal or State court to enjoin—

''(1) the solicitation or sale of individual health insurance coverage by a health insurance issuer to any person or group who is not eligible for such insurance; or

''(2) the solicitation or sale of individual health insurance coverage by, or operation of, a health insurance issuer that is in hazardous financial condition.

''(i) STATE POWERS TO ENFORCE STATE LAWS.—

''(1) IN GENERAL.—Subject to the provisions of subsection (b)(1)(G) (relating to injunctions) and paragraph (2), nothing in this section shall be construed to affect the authority of any State to make use of any of its powers to enforce the laws of such State with respect to which a health insurance issuer is not exempt under subsection (b).

''(2) COURTS OF COMPETENT JURISDICTION.—If a State seeks an injunction regarding the conduct described in paragraphs (1) and (2) of subsection (h), such injunction must be obtained from a Federal or State court of competent jurisdiction.

''(j) STATES' AUTHORITY TO SUE.—Nothing in this section shall affect the authority of any State to bring action in any Federal or State court.

''(k) GENERALLY APPLICABLE LAWS.—Nothing in this section shall be construed to affect the applicability of State laws generally applicable to persons or corporations.

''SEC. 2797. PRIMARY STATE MUST MEET FEDERAL FLOOR BEFORE ISSUER MAY SELL INTO SECONDARY STATES.

''A health insurance issuer may not offer, sell, or issue individual health insurance coverage in a secondary State if the primary State does not meet the following requirements:

''(1) The State insurance commissioner must use a risk-based capital formula for the determination of capital and surplus requirements for all health insurance issuers.

''(2) The State must have legislation or regulations in place establishing an independent review process for individuals who are covered by individual health insurance coverage unless the issuer provides an independent review mechanism functionally equivalent (as determined by the primary State insurance commissioner or official) to that prescribed in the 'Health Carrier External Review Model Act' of the National Association of Insurance Commissioners for all individuals who purchase insurance coverage under the terms of this part.

''SEC. 2798. ENFORCEMENT.

''(a) IN GENERAL.—Subject to subsection (b), with respect to specific individual health insurance coverage the primary State for such coverage has sole jurisdiction to enforce the primary State's covered laws in the primary State and any secondary State.

''(b) SECONDARY STATE'S AUTHORITY.—Nothing in subsection (a) shall be construed to affect the authority of a secondary State to enforce its laws as set forth in the exception specified in section 2796(b)(1).

''(c) COURT INTERPRETATION.—In reviewing action initiated by the applicable secondary State authority, the court of competent jurisdiction shall apply the covered laws of the primary State.

''(d) NOTICE OF COMPLIANCE FAILURE.—In the case of individual health insurance coverage offered in a secondary State that fails to comply with the covered laws of the primary State, the applicable State authority of the secondary State may notify the applicable State authority of the primary State.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individual health insurance coverage offered, issued, or sold after the date of the enactment of this Act.

SEC. _05. SEVERABILITY.

If any provision of the title or the application of such provision to any person or circumstance is held to be unconstitutional, the remainder of this title and the application of the provisions of such to any other person or circumstance shall not be affected.

SA 3492. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3963, to amend title XXI of the Social Security Act to extend and improve the Children's Health Insurance Program, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title VI, add the following:

SEC. _____. ABOVE-THE-LINE DEDUCTION FOR HEALTH INSURANCE PREMIUMS AND OUT-OF-POCKET EXPENSES.

(a) IN GENERAL.—Section 62(a) of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by inserting after paragraph (21) the following new paragraph:

''(22) HEALTH INSURANCE PAYMENTS.—

''(A) IN GENERAL.—Any amount allowable as a deduction under section 213 (determined without regard to any income limitation under subsection (a) thereof) by reason of subsection (d)(1)(D) thereof for qualified health insurance and for any deductible and other out-of-pocket expenses required to be paid under such insurance.

''(B) QUALIFIED HEALTH INSURANCE.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'qualified health insurance' means insurance which constitutes medical care as defined in section 213(d) without regard to—

''(I) paragraph (1)(C) thereof, and

''(II) so much of paragraph (1)(D) thereof as relates to qualified long-term care insurance contracts.

''(ii) EXCLUSION OF CERTAIN OTHER CONTRACTS.—Such term shall not include insurance if a substantial portion of its benefits are excepted benefits (as defined in section 9832(c)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. _____. USE OF HEALTH SAVINGS ACCOUNTS FOR NON-GROUP HIGH DEDUCTIBLE HEALTH PLAN PREMIUMS.

(a) IN GENERAL.—Section 223(d)(2)(C) of the Internal Revenue Code of 1986 (relating to exceptions) is amended by striking ''or'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', or'',

and by adding at the end the following new clause:

''(v) a high deductible health plan, other than a group health plan (as defined in section 5000(b)(1)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. _____. CLARIFICATION OF DEFINITION OF GROUP HEALTH PLAN UNDER HIPAA.

(a) ERISA.—Section 733(a)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191b(a)(1)) is amended by adding at the end the following: ''Such term does not include an arrangement maintained by an employer the sole effect of which is to provide reimbursement to employees for the purchase by such employees of health insurance coverage offered in the individual market (as defined in section 2791(e)(1)) of the Public Health Service Act), notwithstanding that the employer or an employee organization negotiates the cost or benefits of the arrangement.''.

(b) PHSA.—Section 2791(a)(1) of the Public Health Service Act (42 U.S.C. 300gg–91(a)(1)) is amended by adding at the end the following: ''Such term does not include an arrangement maintained by an employer the sole effect of which is to provide reimbursement to employees for the purchase by such employees of health insurance coverage offered in the individual market, notwithstanding that the employer or an employee organization negotiates the cost or benefits of the arrangement.''.

(c) IRC.—Section 9832(a) of the Internal Revenue Code of 1986 (relating to definitions) is amended by inserting before the period the following: '', except that such term does not include an arrangement maintained by an employer the sole effect of which is to provide reimbursement to employees for the purchase by such employees of health insurance coverage offered in the individual market (as defined in section 2791(e)(1)) of the Public Health Service Act), notwithstanding that the employer or an employee organization negotiates the cost or benefits of the arrangement.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

SA 3493. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3963, to amend title XXI of the Social Security Act to extend and improve the Children's Health Insurance Program, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 114 and insert the following:

SEC. 114. DENIAL OF PAYMENTS FOR EXPENDITURES FOR CHILD HEALTH ASSISTANCE FOR CHILDREN WHOSE FAMILY INCOME EXCEEDS 300 PERCENT OF THE POVERTY LINE.

(a) IN GENERAL.—Section 2105(c) (42 U.S.C. 1397ee(c)) is amended by adding at the end the following new paragraph:

''(8) DENIAL OF PAYMENTS FOR EXPENDITURES FOR CHILD HEALTH ASSISTANCE FOR CHILDREN WHOSE FAMILY INCOME EXCEEDS 300 PERCENT OF THE POVERTY LINE.—

''(A) IN GENERAL.—For child health assistance furnished after the date of the enactment of this paragraph, no payment shall be made under this section for any expenditures for providing child health assistance or health benefits coverage for a targeted low-income child whose family income exceeds 300 percent of the poverty line.

''(B) DETERMINATION OF FAMILY INCOME.—In determining family income under this title (including in the case of a State child health plan that provides health benefits coverage in the manner described in section 2101(a)(2)), a State shall base such determination on gross income (including amounts that would be included in gross income if they were not exempt from income taxation).''.

(b) PROHIBITION ON WAIVER OF REQUIREMENTS.—Section 2107(f) (42 U.S.C. 1397gg(f)), as amended by section 112(a)(2)(A), is amended by adding at the end the following new paragraph:

''(3) The Secretary may not approve a waiver, experimental, pilot, or demonstration project with respect to a State after the date of enactment of the Children's Health Insurance Program Reauthorization Act of 2007 that would waive or modify the requirements of section 2105(c)(8) (relating to denial of payments for expenditures for child health assistance for children whose family income exceeds 300 percent of the poverty line).''.

SA 3494. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3963, to amend title XXI of the Social Security Act to extend and improve the Children's Health Insurance Program, and for other purposes; which was ordered to lie on the table; as follows:

On page 281, between lines 16 and 17, insert the following:

SEC. ___. POINT OF ORDER AGAINST LEGISLATION THAT RESULTS IN A TAKEOVER OF HEALTH CARE COVERAGE BY THE FEDERAL GOVERNMENT.

Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

''POINT OF ORDER AGAINST LEGISLATION THAT RESULTS IN A TAKEOVER OF HEALTH CARE COVERAGE BY THE FEDERAL GOVERNMENT

''SEC. 316. (a)(1) IN GENERAL.—It shall not be in order in the Senate to consider any bill, resolution, amendment, amendment between Houses, motion, or conference report that—

''(A) imposes Federal Government mandates that reduce the number of Americans covered by private health insurance;

''(B) mandates through Federal law that any employer contributions or private wages that currently fund private health care coverage go to a Federally-run program for health care coverage; or

''(C) displaces the number of individuals in private health care coverage through an expansion or creation of a health care system run by the Federal Government by more than 5 percent of the total number of individuals affected by the expansion or creation of any such system.

''(2) DETERMINATIONS.—All determinations required by this subsection shall be made by the Congressional Budget Office.

''(b) SUPERMAJORITY WAIVER AND APPEAL.—

''(1) WAIVER.—This section may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

''(2) APPEAL.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.''.

SA 3495. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3963, to amend title XXI of the Social Security Act to extend and improve the Children's Health Insurance Program, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 613.

SA 3496. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 3963, to amend title XXI of the Social Security Act to extend and improve the Children's Health Insurance Program, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Children's Health Care First Act''.

SEC. 2. PROHIBITION ON FUNDING CONGRESSIONAL EARMARKS UNTIL ALL UNITED STATES CHILDREN HAVE OPTIMAL HEALTH INSURANCE.

Notwithstanding any other provision of law, the Secretary of Health and Human Services shall not allocate or make payments from any funds appropriated for congressionally directed spending items (as such term is defined for purposes of paragraph 5(d) of rule XLIV of the Standing Rules of the Senate) for fiscal year 2008 or any succeeding fiscal year until on or after the date on which the Secretary of Health and Human Services certifies to Congress that all children in the United States have optimal health insurance.

SEC. 3. TRANSFER OF EARMARK FUNDS TO SCHIP.

Notwithstanding any other provision of law, any funds appropriated to the Secretary of Health and Human Services or the Department of Health and Human Services for congressionally directed spending items (as such term is defined for purposes of paragraph 5(d) of rule XLIV of the Standing Rules of the Senate) for fiscal year 2008 or any succeeding fiscal year are hereby transferred and made available for providing allotments to States under section 2104 of the Social Security Act (42 U.S.C. 1397dd) until on or after the date described in section 2.

SEC. 4. ANNUAL REPORT ON NUMBER OF CHILDREN PROVIDED HEALTH INSURANCE THROUGH TRANSFERRED EARMARK FUNDS.

Beginning January 1, 2008, and annually thereafter until on or after the date described in section 2, the Secretary of Health and Human Services shall submit a report to Congress on the number of children who are provided child health assistance under a State child health plan under title XXI of the Social Security Act through funds transferred and made available under section 3 for providing allotments to States under section 2104 of such Act.

AUTHORITY FOR COMMITTEES TO MEET

AD HOC SUBCOMMITTEE ON DISASTER RECOVERY

Mr. DORGAN. Mr. President, I ask unanimous consent that the Ad Hoc Subcommittee on Disaster Recovery of the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, October 31, 2007, at 2:30 p.m. in order to conduct a hearing entitled, ''Post-Catastrophe Crisis: Addressing the Dramatic Need and Scant Availability of Mental Health Care in the Gulf Coast.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on October 31, 2007, at 2:30 p.m., in order to conduct a hearing entitled ''Climate Disclosure: Measuring Financial Risks and Opportunties.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Wednesday, October 31, 2007 at 10 a.m. in room 406 of the Dirksen Senate Office Building, in order to conduct a hearing entitled, ''Examination of the Licensing Process for the Yucca Mountain Repository.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, October 31, 2007, at 11 a.m. in order to hold a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet, during the session of the Senate, in order to conduct a hearing entitled ''FISA Amendments: How to Protect America's Security and Privacy and Preserve the Rule of Law and Government Accountability'' on Wednesday, October 31, 2007. The hearing will commence at 10 a.m. in room 226 of the Dirksen Senate Office Building.

Witness list

Panel I: Kenneth L. Wainstein, Assistant Attorney General, National Security Division, U.S. Department of Justice.

Panel II: Edward Black, President and CEO, Computer & Communications Industry Association, Washington, DC; Patrick F. Philbin, Partner, Kirkland & Ellis, Washington, DC; Morton H. Halperin, Director of U.S. Advocacy, Open Society Institute, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent for the Committee on Veterans' Affairs to be authorized to meet during the session of the Senate on Wednesday, October 31, 2007, in order to conduct a hearing on the Uniformed Services Employment and Reemployment Rights Act. The Committee will meet in room SD–562 of the Dirksen Senate Office Building, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMITTING COLLECTION OF DONATIONS IN SENATE BUILDINGS TO BE SENT TO MILITARY PERSONNEL

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 361, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 361) to permit the collection of donations in Senate buildings to be sent to United States military personnel on active duty overseas participating in or in support of Operation Iraqi Freedom, Operation Enduring Freedom, and the war on terrorism.

There being no objection, the Senate proceeded to consider the resolution.

Mrs. MURRAY. Mr. President, I ask unanimous consent that the resolution be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 361) was agreed to, as follows:

S. RES. 361

Resolved,

SECTION 1. COLLECTION OF DONATIONS TO UNITED STATES MILITARY PERSONNEL.

(a) IN GENERAL.—Notwithstanding any other provision of the rules or regulations of the Senate—

(1) a Senator, officer, or employee of the Senate may collect from another Senator, officer, or employee of the Senate within Senate buildings nonmonetary donations to be sent to United States military personnel on active duty overseas participating in or in support of Operation Iraqi Freedom, Operation Enduring Freedom, and the war on terrorism; and

(2) a Senator, officer, or employee of the Senate may work with a nonprofit organization with respect to the delivery of donations that are collected as described in paragraph (1).

(b) EFFECTIVE PERIOD.—This resolution shall be in effect until December 31, 2007.

RECOGNIZING 2007 AS THE YEAR OF THE 100TH ANNIVERSARY OF THE AMERICAN SOCIETY OF AGRONOMY

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 362, submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 362) recognizing 2007 as the year of the 100th anniversary of the American Society of Agronomy.

There being no objection, the Senate proceeded to consider the resolution.

Mrs. MURRAY. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and motions to reconsider be laid upon the table en bloc; that any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 362) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 362

Whereas the American Society of Agronomy was founded on December 31, 1907, with Mark A. Carleton as the first President of the Society;

Whereas the American Society of Agronomy is one of the premier scientific societies in the world, as demonstrated by first-class journals, international and regional meetings, and development of a broad range of educational opportunities;

Whereas the science and scholarship of the American Society of Agronomy are mission-directed, and seek to foster exploration and application of agronomic science, with the goal of increasing and disseminating knowledge concerning the nature, use, improvement, and interrelationships of plants, soil, water, and the environment;

Whereas the American Society of Agronomy strives to obtain that goal by promoting effective research, disseminating scientific information, facilitating technology transfer, fostering high standards of education, striving to maintain high standards of ethics, promoting advancements in the agronomy profession, and cooperating with other organizations with similar objectives;

Whereas the American Society of Agronomy significantly contributes to the scientific and technical knowledge necessary to protect and sustain natural resources in the United States;

Whereas the American Society of Agronomy has a critical international role in developing sustainable agricultural management standards for the protection of land resources;

Whereas the mission of the American Society of Agronomy continues to expand, from the development of sustainable production of food, fiber, and forage, to the production of renewable energy and biobased industrial products;

Whereas the American Society of Agronomy certifies a body of professional Certified Crop Advisors and Certified Professional Agronomists who work closely with agricultural producers to develop nutrient management plans that are designed to minimize environmental risk in production agriculture;

Whereas, in industry, extension, and basic research, the American Society of Agronomy has fostered a dedicated professional and scientific community that, in 2007, includes more than 8,015 members and 13,015 certified crop advisor professionals; and

Whereas the American Society of Agronomy was the parent society that led to the formation of both the Crop Science Society of America and the Soil Science Society of America and later fostered the common overall management of these 3 related societies: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes 2007 as the 100th anniversary year of the American Society of Agronomy;

(2) commends the American Society of Agronomy for 100 years of dedicated service to advance the science and practice of agronomy; and

(3) acknowledges the promise of the American Society of Agronomy to continue to enrich the lives of all citizens, by improving stewardship of the environment, combating world hunger, and enhancing the quality of life for the next 100 years and beyond.

DESIGNATING THE DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER IN AUGUSTA, GEORGIA, AS THE ''CHARLIE NORWOOD DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER''

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of H.R. 1808, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1808) to designate the Department of Veterans Affairs Medical Center in Augusta, Georgia, as the ''Charlie Norwood Department of Veterans Affairs Medical Center.''

There being no objection, the Senate proceeded to consider the bill.

Mrs. MURRAY. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid on the table, and any statements relating to the measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1808) was ordered to a third reading, was read the third time, and passed.

RECOGNIZING THE NAVY SEALS MUSEUM IN FORT PIERCE, FLORIDA

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from further consideration of H.R. 2779 and the Senate then proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2779) to recognize the Navy UDT-SEAL Museum in Fort Pierce, FL, as the official national museum of Navy SEALs and their predecessors.

There being no objection, the Senate proceeded to consider the bill.

Mrs. MURRAY. Mr. President, I ask unanimous consent that the bill be read the third time, passed, and the motion to reconsider be laid upon the table; that any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2779) was ordered to a third reading, was read the third time, and passed.

ORDERS FOR THURSDAY, NOVEMBER 1, 2007

Mrs. MURRAY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 10 a.m., Thursday, November 1; that on Thursday, following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day; that there then be a period of morning business for 60 minutes, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled, with Republicans controlling the first half and the majority controlling the final half; that following morning business, the Senate resume consideration of the motion to proceed to H.R. 3963, the CHIP legislation; further, that all time consumed in morning business during today's session and tomorrow, as well as the time during the adjournment, count postcloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mrs. MURRAY. Mr. President, if there is no further business, I ask unanimous consent that the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 5:49 p.m., adjourned until Thursday, November 1, 2007, at 10 a.m.

EXTENSIONS OF REMARKS

PERSONAL EXPLANATION

HON. BILL SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. SHUSTER. Madam Speaker, on rollcall No. 1014 taken on Tuesday, October 30, 2007, had I been present, I would have voted "yea."

PERSONAL EXPLANATION

HON. TRENT FRANKS

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. FRANKS of Arizona. Madam Speaker, on rollcall No. 1001, I was unavoidably detained and missed the vote. Had I been present, I would have voted "yes."

CRISIS IN DARFUR

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. RANGEL. Madam Speaker, I rise today in support of resolutions H. Res. 573, H. Res. 726, and H. Res. 740, which are all related to the situation in Darfur. The continuing genocide in Darfur is an attack on humanity and I would like to take this moment to urge my colleagues in Congress and in the International Community to support ending this genocide.

I am in support of H. Res. 573. This resolution calls for recognizing and commending the efforts of the United States public and advocacy groups to raise awareness about and help end the worsening humanitarian crisis and genocide in Darfur, Sudan. If it were not for the U.S. public and advocacy groups that have brought awareness of the violence and displacement that has occurred in Darfur, this horrific conflict might have gone unnoticed. Experts estimate some 400,000 people have died and over 2.5 million people within the Darfur region have been made homeless since this conflict began in 2003. Too many people of Darfur are in extreme poverty and they rely heavily on international aid for survival. Refugee camps have experienced atrocities, rape, and physical violence, which is making these supposedly safe havens unsafe. Even humanitarian groups are suffering from deteriorating conditions and attacks, which has caused several NGOs to leave.

I agree with H. Res. 726, which calls on the President of the United States and the international community to take immediate steps to respond to and prevent acts of rape and sexual violence against women and girls in Darfur, Sudan, eastern Chad and the Central African Republic. During war women are too often the victims of rape and sexual violence, which is often used systematically as a weapon of intimidation, humiliation, terror and ethnic cleansing. Being a victim of rape or sexual violence is one of the worst human rights violations there is. Women in these areas can hopefully be protected if the President of the United States develops within the United States Department of State and the United States Agency for International Development a Women and Girls of Darfur Initiative to improve assistance to victims and potential victims of rape and sexual violence in the areas called for by the resolution.

I fully support H. Res. 740. This resolution condemns in the strongest terms the attacks on African Union peacekeepers that occurred in Haskanita, Darfur, Sudan on September 29, 2007. This ambush by Darfur rebels killed ten peacekeepers; seven Nigerian peacekeepers and three other soldiers from Mali, Senegal and Botswana. Several other soldiers were wounded and fifty soldiers are still missing. This attack is considered the worst on AMIS peacekeepers since the deployment in July 2004. It is time to hold the perpetrators of these hateful acts accountable for their inhumane actions.

Madam Speaker, I support these bills because the people of Darfur need help. Too many lives have been taken; too many women have been sexually violated. These bills help send a clear message to the Sudanese government and the Darfur rebel groups that we will not continue to allow these crimes to happen on our watch. It is time to end this genocide.

TRIBUTE TO VELMA ALLEN

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. KILDEE. Madam Speaker, I rise today to pay tribute to Dr. Velma Allen as she retires from Mott Children's Health Center. Dr. Allen is the President and Chief Executive Officer and will retire on December 31. A dinner in her honor will be held on November 8 in Flint, MI.

Dr. Allen began her career as an English teacher in Mississippi. She moved to Michigan and became the Supervisor of Secondary Special Education with the Grand Rapids School System. She served as the Director of Special Education with the Lansing Schools from 1977 through 1981. She moved to Flint and was program officer for the C.S. Mott Foundation from 1981 to 1984. After serving as the Superintendent of the Michigan School of the Blind, Velma started to work at the Mott Children's Health Center. She has spent the last 17 years working to improve the care for the children of Genesee County who have special health or developmental problems.

Under her leadership, the C.S. Mott Children's Health Center has expanded its role in Genesee County. Working with the Genesee Intermediate School District, the Center has implemented four school-based health centers offering multiple services to elementary, middle school, and high school students and offer dental health screening and prevention in elementary schools. The Center works with the Cedar Street Children's Center and the Child Welfare Society of Flint to offer mental health prevention services. She has added a fifth pediatric dental resident and partnered with the University of Michigan Dental School to offer an Advanced Education in General Residency resident. The Center also has implemented a child obesity prevention program and offers a 2-week summer camp.

Working with community allies she has advocated on behalf of children at both the state and national level. Recognizing that the life of the larger community has an affect on children, Dr. Allen works with various organizations to improve the quality of life. She is a Commissioner with the Michigan Commission for the Blind, a Board Member for the Michigan Council for Maternal and Child Health, a Member of the Genesee County Community Collaborative, a Board Member of the "Ready, Set, Grow!" Passport Program, a Board Member of Priority Children, the Vice Chair of the Community Foundation of Greater Flint, a member of the Flint Journal Community Advisory Committee, a Board Member of United Way of Genesee County, and a member of Alpha Kappa Alpha Sorority, Inc.

Madam Speaker, I ask the House of Representatives to join me in congratulating Dr. Velma Allen for her work on behalf of the children in Genesee County. I wish her the best as she retires from the C.S. Mott Children's Health Center.

PERSONAL EXPLANATION

HON. BILL SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. SHUSTER. Madam Speaker, on rollcall No. 1013 taken on Tuesday, October 30, 2007, had I been present, I would have voted "nay."

PERSONAL EXPLANATION

HON. BILL SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. SHUSTER. Madam Speaker, on rollcall No. 1012 taken on Monday, October 29, 2007, had I been present, I would have voted "yea."

PERSONAL EXPLANATION

HON. TRENT FRANKS

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. FRANKS of Arizona. Madam Speaker, on rollcall No. 1002, I was unavoidably detained and missed the vote. Had I been present, I would have voted "yes."

RECOGNIZING ANNIVERSARIES OF MASS MOVEMENT FOR SOVIET JEWISH FREEDOM AND FREEDOM SUNDAY RALLY FOR SOVIET JEWRY

SPEECH OF

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 30, 2007

Mr. RANGEL. Mr. Speaker, I rise today to throw my endorsement behind a resolution of great import—one that highlights the struggle of Jewish freedom in the former Soviet Union and pays tribute to one of the great civil rights movements of the last century. The will and forbearance of man and woman is best evinced when they are faced with adversity. Victims to a repressive anti-Zionist state that stripped its Jewish citizens of their rights to emigrate, be autonomous, and engage in religious prerogatives, Soviet Jewry channeled the strength of its community into one, harmonious dissenting voice. That takes awe-inspiring courage, and it more than merits our recognition today.

Only two decades have passed since a full quarter of a million of our frustrated brothers and sisters marched on Washington, demonstrating remarkable solidarity in numbers and unmatched political resolve. Only two decades before that, the seeds of focused defiance were being sown, a movement young in age but ripe at heart. And now, four decades later, the legacy of that effort has come to brilliant fruition. A renaissance of Jewish culture has cemented itself in the modern-day consciousness of the Russian people—and that is an exceptionally good thing.

Let us echo that spirit of unity, camaraderie, fraternity, and in one voice, honor their memories that inspire and move us to this day. Mazel Tov, my friends.

HONORING DR. HESHAM GAYAR

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. KILDEE. Madam Speaker, I ask the House of Representatives to join me in honoring Dr. Hesham Gayar, the outgoing President of the Genesee County Medical Society. Dr. Gayar is to be honored at the annual President's Ball this Saturday, November 3rd.

Dr. Gayar studied medicine at the Alexandria Medical School. He completed residency at St. Vincent's Hospital and Medical Center in New York, and M.D. Anderson in Houston, where he was chief resident from 1985 to 1986. He completed a Fellowship in Clinical Oncology and Pediatric Oncology at Ohio State University Hospital. Relocating to Michigan, Dr. Gayar currently serves as the Chair of the Department of Radiation Oncology at McLaren Regional Medical Center and the Medical Director of Radiation Oncology at Owosso Memorial Cancer Center.

Over the years Dr. Gayar has served as a delegate to the Michigan State Medical Society from the Genesee County Medical Society, and as the Chair of the Board of the Community Wide Hospital Oncology program. He is the principal investigator for the Radiation Therapy Oncology group, works with the Southwest Oncology group, and the National Surgical Adjuvant Breast and Bowel project. He is also the former President of the Islamic Medical Association.

Dr. Gayar is committed to improving the quality of life in the larger community. Governor Granholm appointed him to the Board of the Commission of Arab Chaldean American Affairs. He serves on the Board of the American Arab Heritage Council of Flint, the Flint Islamic Center, and the Grand Blanc Islamic Center, he is the former Chair of the Genesee Academy Board of Directors, and is a former board member of the Islamic American University. In 2006 the American Arab Heritage Council named him "Physician of the Year." Dr. Gayar is married to Randa and they have four children, Omar, Adam, Lena and Kareem.

Madam Speaker, I ask the House of Representatives to join me in applauding Dr. Hesham Gayar for his leadership to the Genesee County Medical Society. Both physicians and patients have benefited from his compassion and steadfastness. He brings empathy, dignity, and responsibility to every role he assumes. I wish him the best as he continues his service to the Flint community.

PERSONAL EXPLANATION

HON. BILL SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. SHUSTER. Madam Speaker, on rollcall No. 1011 taken on Monday, October 29, 2007, had I been present, I would have voted "yea."

PERSONAL EXPLANATION

HON. TRENT FRANKS

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. FRANKS of Arizona. Madam Speaker, on rollcall No. 1003, I was unavoidably detained and missed the vote. Had I been present, I would have voted "no."

SMALL BUSINESS CONTRACTING PROGRAM IMPROVEMENTS ACT

SPEECH OF

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 30, 2007

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3867) to update and expand the procurement of the Small Business Administration, and for other purposes:

Mr. RODRIGUEZ. Mr. Chairman, I rise today in support of H.R. 3867, Small Business Contracting Procurement Improvements Act of 2007.

Among the many improvements, this bill modernizes programs to increases opportunity to disadvantaged businesses that do not have proper access to the $410 billion federal marketplace.

This bill expands procurement opportunities for service-disabled veteran-owned businesses; a group that currently receives only a small fraction of their contracting goal. Further, it creates penalties for misrepresentation of a service-disabled veteran owned business classification and adopts a roadmap for providing information, advice and training to service-disabled veterans as prescribed by President. Finally, it provides discretion to contracting officers in cases that must now be set aside for HUBZones but that could be used for service-disable veteran-owned businesses.

Additionally, the bill modernizes the 8(a) Business Development Program. This program is to single most important vehicle for minority business participation in federal contracting. The 8(a) program has contributed to the development of over 20,000 firms including many in Texas over the past two decades, and these firms have received almost $100 billion in federal contracts.

Over 9,000 firms are currently participating in the 8(a) program. More than half of all federal minority business contracting is accomplished through the 8(a) program. Despite these impressive statistics, the program has not been revamped since 1988.

Earlier this year, I joined my colleague Rep. SILVESTRE REYES in sponsoring H.R. 1611, the 8(a) Modernization Act which was incorporated into this legislation.

I would like to thank the Chairwoman, Ms. NYDIA VELÁZQUEZ for her work not only for this legislation but also her long time advocacy for our Nation's small businesses.

I urge my colleagues to support this bill.

TRIBUTE TO DR. RUTH L. GOTTESMAN

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mrs. LOWEY. Madam Speaker, I rise today to recognize the accomplishments of Dr. Ruth L. Gottesman and to congratulate her on becoming the first woman and the first faculty member to be elected Chairperson of the Albert Einstein College of Medicine's Board of Overseers.

As a premiere institution for medical education, basic research and clinical investigation, the Albert Einstein College of Medicine has produced more than 7,000 of our Nation's foremost clinicians, biomedical scientists, and medical educators. Among its pioneering educational initiatives, Einstein was among the first of the major medical schools to integrate bedside experience with learning, bringing first-year students into contact with patients and linking classroom study to case experience.

Dr. Ruth Gottesman has served as a distinguished faculty member of the Albert Einstein College of Medicine for over 30 years. In addition, Dr. Gottesman was a founding director of the Fisher Landau Center for the Treatment of Learning Disabilities, a division of Einstein's Children's Evaluation and Rehabilitation Center established to provide interdisciplinary services to individuals of all ages. Her exemplary effort on behalf of those with learning disabilities has earned her the respect and admiration of colleagues and friends alike. In her career, she serves the most vulnerable in our society with the highest level of compassion and commitment.

Dr. Gottesman has balanced this distinguished career with an equally impressive family life. Married to David for 57 years, she has also been a loving mother to three children—Bob, Alice, and Bill—and grandmother to seven grandchildren—Ben, Sarah, Alan, Clara, Zachary, Eleanor, and Jessica. While she and her family share a passion for traveling and learning about other people and places, Dr. Gottesman remains committed to a variety of causes in her own community including various charitable organizations, schools, and museums.

Madam Speaker, I am proud to recognize my good friend Dr. Ruth Gottesman for an unparalleled career fighting for those who are unable to fight for themselves, and I urge my colleagues to join me in honoring her tremendous accomplishments.

IN APPRECIATION OF THE LIFE AND WORK OF THE HILL'S JOSEPH CRAPA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. RANGEL. Madam Speaker, I rise today in remembrance of a true patriot and committed public servant, the late Joseph Crapa. He boasted a litany of high posts and honors to his name, but it was as Chief of Staff to Senator CHARLES SCHUMER that he so ably served my native New York. Staffers like Mr. Crapa are the backbone of Capitol Hill, the too-often unsung movers and shakers who work feverishly on behalf of the American people.

Known as a fast-talking guy from Brooklyn, Mr. Crapa's magnetism drew a series of glowing compliments—solid, wise, shrewd. He loved politics and government, but remained loyal to his unwavering moral core. He was an intellectual powerhouse, relentless in his defense of the little guy, but with the practical political know-how to get things done. As the executive director of the U.S. Commission on International Religious Freedom, his last post, he agitated for a cause near and dear to his heart: the battle for religious freedom worldwide.

He is today—and always—remembered and appreciated as a man of conviction and a wealth of knowledge.

''SALT-OF-THE-EARTH'' STAFFER CRAPA MOURNED ON HILL

Joseph Crapa, the executive director of the U.S. Commission on International Religious Freedom, died Thursday from cancer at the age of 63.

Crapa, who had led the commission since 2002, previously worked for 25 years in various Capitol Hill-related jobs, including House committee offices, Member offices and in the Congressional relations shops of several executive branch agencies.

Immediately before coming to the commission, Crapa worked as chief of staff to Sen. Charles Schumer (D–N.Y.).

''Joe was a pure salt-of-the-earth human being,'' Schumer wrote in an e-mail. ''To know him was to love him.''

Sen. Hillary Rodham Clinton (D–N.Y.) noted in a statement that she knew Crapa during his service in the Senate and the Clinton administration. She lauded Crapa's ''indomitable spirit and determination'' during the fight to secure funding for New York in the aftermath of the Sept. 11, 2001, terrorist attacks.

Crapa also served as counsel and staff director in the office of Rep. David Obey (D–Wis.) for 10 years, before leaving in 1997 to become associate administrator for congressional and intergovernmental affairs at the Environmental Protection Agency.

Obey said he was dubious when he first interviewed Crapa for a job in 1987.

''I thought, 'There's no way in God's green earth I can work with this fast-talking guy from Brooklyn,'' Obey said. ''He was about three times as intense as I was. But his solidity, wisdom, and shrewdness came through, and we ended up not only working together for 10 years, but becoming close friends.''

Obey said Crapa was a ''superb example'' of the importance of the role staffers play on the Hill.

''There are a lot of people who never serve in elected office—staffers and people in various agencies—who love this country, are dedicated to doing things right and to advancing the cause of regular people,'' Obey said. He said Crapa ''loved politics, he loved government, he had a moral core to everything he did. He was an intellectual and, at the same time, a hard-nosed practicing pol in the best sense of the word.''

In a statement released by USCIRF on Thursday, Chairman Michael Cromartie said Crapa ''had an unwavering, principled commitment to . . . protecting religious freedom worldwide.'' He and Vice Chairwoman Preeta Bansal both commented on Crapa's ''sharp political instincts,'' which Barisal said were ''crucial to him in this sensitive area.''

Over the course of his career, Crapa worked as the top congressional relations official at the EPA, the Department of Agriculture and the U.S. Agency for International Development, and in the No. 2 spot in the Department of Commerce's congressional relations office.

He also spent time at the Democratic Congressional Campaign Committee, where he was the executive director of the Speaker's Club, and as vice president at lobby shop Dutko and Associates. For 6 years during his time in Obey's office and at the EPA, Crapa taught part-time as adjunct professor of government at Georgetown University. He was a John C. Stennis Congressional fellow in 1995–1996.

Crapa was born Dec. 16, 1943, in Brooklyn, N.Y. He received his bachelor's degree from St. John's University in New York City and went on to receive a master's degree from Duke and a Ph.D. from the University of Arizona; all three degrees were in British and American literature. He married Barbara Vaskis in 1967; the couple had one son, Judd, and two grandsons, Sebastian and Baird.

A memorial service for Crapa is scheduled for 1 p.m. today at St. Peter's Church on Capitol Hill.

JAMES P. CHEEVER 100TH BIRTHDAY TRIBUTE

HON. KENDRICK B. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. MEEK of Florida. Madam Speaker, I rise to honor and congratulate James P. Cheever, who will be celebrating his 100th birthday on Sunday, November 4, 2007, at Tony Reception Palace, in Hialeah, FL. Many of his family, friends, and church friends will be in attendance to celebrate this momentous occasion. He was born on November 7, 1907, in Sylvania, Georgia. He is the middle child of six siblings, with one remaining sister, Ruby Cheever.

He was educated in the Sylvania school system. At the age of 22, he met and married Edna Mae Striggles. They were married on December 22, 1929. They shared 58 years of marriage until her death in 1987. Their union was blessed with four children, James P. Cheever, Jr., Henry Richmond Cheever, and Margie Beatrice Mayes. Their daughter Fronita Cheever, died at a very young age.

He has 10 grandchildren, Gregory Cheever, Gail Washington, Glenda Jimeson, Anthony Cheever, Aundrea Mayes, Carey Cheever, LaEatrice McMurray, Laketia Cheever, Vincent Cheever and Tonya Linde. He has 25 great-grandchildren and 7 great-great grandchildren.

As many others did during the early 1900s, he earned a living by farming land in Georgia. Although farming provided a modest living, he and his wife wanted a better quality of life for their family. In November of 1947, he moved his family to Miami, Florida.

After arriving in Miami, he worked several odd jobs to support his family and he started working for a major construction firm, Benidick and Jordan Construction Company, in 1950. He was the only African-American man hired at that time to tie steel for the company and became the top man for the construction company.

In 1962, he left the construction field to work for the Dade County Public School system. During his employment with DCPS, he worked as Lead Custodian at Brownsville Junior High School and Carol City Elementary. He retired from DCPS in June of 1973. After retirement, he launched his own Lawn Service and was known by many for the meticulous lawn care he provided his customers.

James is a God-fearing man who dedicated is life to the Lord at a very young age. While living in Georgia he was a member of Lawton Grove Missionary Baptist Church. When he relocated to Miami, he moved his membership to New Hope Missionary Baptist Church in Liberty City, where he became a deacon on January 14, 1954, under the leadership of Rev. James E. Brown.

Several years later he moved his membership to become a founding member of Greater New Macedonia Missionary Baptist Church, located in Brownsville, under Pastor Rosco Jackson. He still attends services regularly and currently serves as the oldest deacon on the deacon board, under the leadership of Rev. Sherman Mungin.

James and his wife bought their first home in Florida, in what was known as Brownsville, in 1956. The property was acquired by the County, to build a public park, in 1969. They

then bought and moved to the home in which he still resides, located at 3801 N.W. 186th Street, Miami Gardens, Florida.

As the patriarch of his family, he loves attending family functions to see the four generations of his children. He is still very active, he enjoys fishing at the lake, vegetable gardening and watching baseball games. He always has a quick smile and something witty to say. He is a man of good report, full of spirit and the wisdom of years.

Madam Speaker and my colleagues, I ask that you join me in honoring James P. Cheever today. I hope we all have the good fortune to live such a full life as he has. He is a great man and his family and friends are very proud of all of these achievements.

IN RECOGNITION OF THE DISTINGUISHED CAREER OF JACK FUCHS

HON. HARRY E. MITCHELL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. MITCHELL. Madam Speaker, I rise today to recognize long-time Tempe resident, chemistry professor, professional tympanist and friend: Jack Fuchs.

Jack Fuchs is a remarkable person with a lifetime of achievements. He recently retired after 55 years of teaching at my alma mater, Arizona State University. Those of us in the ASU community believe that he is the longest-serving faculty member in the history of the university.

After serving in Europe during World War II, he arrived back in the States 62 years ago today. Jack wasted no time in pursuing a doctoral degree at the University of Illinois, which he earned in 1950. Two short years later, he packed up his car and set out for a teaching job in Tempe, which was located in foreign territory for an Illinois native—the deserts of Arizona.

Rather than returning home, the Fuchs thrived and put down roots. In addition to his teaching duties, Jack played professionally as the principal tympanist with the Phoenix Symphony for 25 years. He shared the stage with the likes of Jack Benny, Pablo Casals and Andres Segovia, just to name a few. He extended his musical career by performing with the Sun Cities Symphony Orchestra for almost 20 years more, until just 5 years ago.

Jack also managed to keep his friends and fellow faculty members on their toes with a mean game of tennis. Playing with legendary coaches like Frank Kush, Bobby Winkles and Ned Wulk did not dim his competitive drive to win.

These other accomplishments might give the impression that his professional life took a back seat. Nothing could be further from the truth. Among other posts, Jack served as executive officer of the chemistry department for 14 years, as well as national president of the Society for Applied Spectroscopy.

But as a fellow teacher, I know Jack's true love was being in the classroom. Every year for almost 40 years he offered summer programs to young students to share with them the love and excitement of chemistry he discovered himself as a young boy. Who wouldn't love to spend their summers exploring the wonders of infrared and ultraviolet absorption spectroscopy or modern industrial spectroscopy?

Even today, after 55 years in the classroom, Jack maintains an office at the university and can be found, as always, involved with students 2 to 3 days a week.

I offer my sincere thanks and congratulations on a job well done.

TRIBUTE TO THE ASIAN-AMERICAN MEDICAL ASSOCIATION

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. VISCLOSKY. Madam Speaker, it is with sincere admiration that I recognize the Asian-American Medical Association, which will be hosting their 31st annual dinner and charity ball on Saturday, November 3, 2007, at the Avalon Manor in Hobart, Indiana. Each year, the Asian-American Medical Association pays tribute to prominent, outstanding citizens and organizations for their contributions to the community. In recognition of their efforts, these honorees are awarded the prestigious Crystal Globe Award each year at this annual banquet.

The Asian-American Medical Association has always been a great asset to northwest Indiana. Its members have selflessly dedicated themselves to providing quality medical service to the residents of Indiana's First Congressional District, and they have always demonstrated exemplary service through their many cultural, scholastic, and charitable endeavors.

At this year's charity ball, the Asian-American Medical Association will present the Crystal Globe Award to the Indiana University School of Medicine—Northwest. Founded in 1972, the Indiana University School of Medicine—Northwest, which began with only four faculty members, has become the largest regional campus of the Indiana University School of Medicine outside of Bloomington and Indianapolis. Located on the campus of Indiana University—Northwest in Gary, Indiana, the school has received acclaim for its curriculum and innovation on a local, national, and international level. In particular, the Problem Based Learning Curriculum, which uses patient case studies as their primary educational tool, has received numerous accolades for the university since its inception in 1990. Since its founding in 1972 under the leadership of Dr. Panayotis Iatridis, the contributions of the Indiana University School of Medicine—Northwest, both in the education of its students and its commitment to the future, have been a source of pride and hope for the First Congressional District.

While the past 35 years have shown immense advancements in the school's curriculum, the future appears even brighter for the Indiana University School of Medicine—Northwest. Under the leadership of Dr. Patrick Bankston, the school has made plans to expand class size and to add the final two years of medical education to the curriculum. Once this plan becomes a reality, which may occur as early as 2011, northwest Indiana will, for the first time, allow students to complete their medical education within the region.

Madam Speaker, I ask that you and my other distinguished colleagues join me in commending the Asian-American Medical Association, as well as this year's Crystal Globe Award recipient, the Indiana University School of Medicine—Northwest, for their outstanding contributions to medicine and to the community. Their members' unwavering commitment to improving the quality of life for the people of northwest Indiana and throughout the world is truly inspirational. For these reasons, they are to be praised, and I am proud to serve as their Representative in Washington, D.C.

SUPPORT OF INTERNATIONAL EDUCATION WEEK

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. HOLT. Madam Speaker, I rise today in support of International Education Week, which is sponsored by the Departments of Education and State. International Education Week reminds us of the value of learning foreign languages and learning about foreign cultures and traditions.

In an increasingly interdependent global community, it is important for America's students to be students of the world, and to have the opportunity to study abroad. While such cultural exchanges benefit the individual, they are equally important for America's international competitiveness and national security. Still, a survey from the Institute of International Education shows that during the 2004/2005 school year, fewer than one percent of American undergraduates studied abroad. This event reminds us that we can and must do better.

This week also reminds us of the importance of foreign language study. Studies have shown that early exposure to foreign language education in elementary school has been found to improve children's thinking processes, which help student achievement across all subject areas.

It is my great hope that this year, from November 12 through November 16, all those who recognize the importance of American involvement in the world will take part in International Education Week.

IN RECOGNITION OF RON MAY

HON. DOUG LAMBORN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. LAMBORN. Madam Speaker, I rise today to recognize State Senator Ron May and the contributions he has made to my hometown of Colorado Springs and the State of Colorado during his 27 years as a public servant. Senator May, who has honorably represented the 10th Senate District of Colorado since 2001, will officially step down today, Wednesday, October 31, 2007. A principled, capable legislator and a likeable, good-natured man, Senator May will be sincerely missed by those who served with him in the State Capital, including myself, and the residents of Colorado Springs.

Senator May's lifelong dedication to public service began when he joined the Air Force in 1953. During his twenty-year military career, Senator May gained extensive knowledge in the areas of computer programming and technology. This training shaped his post-military career as he was a charter member of the United States Internet Council, and served on Colorado's Information Management Commission as well as the Multi-Use Network Service.

In the State legislature, Senator May's technological expertise was invaluable, as was his dedication to transportation infrastructure. Senator May worked tirelessly to create funding within the budget that was devoted solely to Colorado roadways, an action that demonstrated his commitment to responsible government spending.

Today I honor Senator May's selfless career and express my gratitude, as a resident of Colorado Springs, for the positive things he has done for our city, county, and State. He was a reliable vote for and a proponent of the conservative values upon which our country was founded. Although I am sad to see his public career come to an end, I know that we will continue to benefit from Senator May's legacy. I wish him and his wife, Onella, their fine children, and grandchildren, all the best in his new career and life.

HONORING FIRE CHIEF LUTHER FINCHER

HON. SUE WILKINS MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mrs. MYRICK. Madam Speaker, Charlotte, NC is losing one of its most dedicated public servants with the retirement of Fire Chief Luther Fincher after 45 years. I have personally known and worked with Luther for over 24 years. His professional achievements are many—including managing our Homeland Security Programs and the Urban Area Security Initiative. Luther was instrumental in the development of our ALERT team and led it with distinction. It was his dedication and experience that made it a reality and has helped Charlotte to be recognized as the third most prepared city in the country for emergency management.

He is a charter member and past president of the International Association of Fire Chiefs and has represented this organization all over the world, as well as playing a role in passing significant fire legislation on a federal level. He was also instrumental in establishing the four-year program on Fire Engineering Technology at UNC-Charlotte.

His awards and accomplishments are many, but I am most proud of the fact that Luther Fincher is one of the most loyal, sincere, family-oriented men I have ever known. I am proud to call him friend.

He is retiring as Fire Chief, but I know he will continue to lend his expertise to our city and the Nation.

RECOGNIZING NATIONAL SPINA BIFIDA MONTH

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. SMITH of New Jersey. Madam Speaker, as Co-Chair of the Congressional Spina Bifida Caucus I rise today to recognize October as National Spina Bifida Month. Currently, more than 70,000 people in the United States live with Spina Bifida, the Nation's most common permanently disabling birth defect. Each October we honor these Americans during National Spina Bifida Month, but we must be steadfast in our efforts year round to prevent and reduce suffering from this devastating birth defect.

Spina Bifida is a neural tube defect that occurs in the first month of pregnancy when the spinal column does not close completely. An average of eight babies a day are born with Spina Bifida or a similar birth defect of the brain and spine. Currently, approximately 3,000 pregnancies each year are affected by Spina Bifida; however, the Centers for Disease Control and Prevention, CDC, estimates that up to 70 percent of Spina Bifida and other neural tube defects could be prevented if all women of childbearing age consumed 400 micrograms of folic acid daily, prior to becoming pregnant.

Fortunately, the CDC's National Spina Bifida Program—which I helped to create with my colleague and caucus co-chair Representative BART STUPAK—plays a critical role in addressing both sides of the Spina Bifida equation—preventing the birth defect and providing support and quality-of-life enhancement for people living with it. I am proud that the National Spina Bifida Program—in its more than 4 years of existence—is making a significant difference in the lives of people with Spina Bifida. Now patients, parents, health professionals, and caregivers have the information and resources they need to ensure that quality-of-life is maximized for all who live with this condition and that we are doing our best to reduce the number of Spina Bifida affected pregnancies through education and awareness of women about the importance of their consumption of folic acid prior to becoming pregnant.

I want to express my deep gratitude to my colleagues on the House Appropriations Committee who allocated $5.535 million for the National Spina Bifida Program in the FY 2008 Labor-Health and Human Services-Education, LHHS, bill. As members of the House and Senate LHHS Subcommittees work to reconcile the differences between their hills, I urge my colleagues to cede to the House allocation and help ensure that the National Spina Bifida Program receives adequate funding in the final FY 2008 LHHS measure so it can sustain and expand its important initiatives.

In addition, I hope my colleagues will support the report language from the Senate FY 2008 Agriculture Appropriations measure which urges the FDA to review—and hopefully expand—current folic acid fortification standards so that we can continue to make strides in reducing the number of preventable neural tube defects.

Lastly, I wish to thank the Spina Bifida Association, SBA, for playing a critical role in helping those living with and affected by this debilitating birth defect. Founded in 1973, SBA is the nation's only organization solely dedicated to advocating on behalf of the Spina Bifida community. Through its nearly 60 chapters in more than 125 communities, the SBA brings expectant parents together with those who have a child with Spina Bifida. This interaction helps to answer questions and concerns, but most importantly it lends much needed support and provides hope and inspiration.

I thank the SBA for its partnership and its commitment to ensuring that we are doing all that we can to reduce and prevent suffering from Spina Bifida. I encourage my colleagues to join with me in recognizing October as National Spina Bifida Month and in educating our constituents about the importance of folic acid consumption among women of child-bearing age. Together, with the SBA, we can help prevent Spina Bifida.

A TRIBUTE TO ELIZABETH SHELL CARR

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. TOWNS. Madam Speaker, I rise today to pay tribute to an exceptional and caring woman on this day of her retirement, Elizabeth Shell Carr. Elizabeth Carr, a New York licensed Clinical Social Worker, spent her first years in Virginia with the Harlem Veteran's Center as a Military Sexual Trauma Counselor for combat and non-combat veterans.

Elizabeth Carr recalls one of her most gratifying experiences as the organizer of a successful SPA Treatment Day which included breakfast, lunch, and the dissemination of information by the Mayor's Office of Veteran Affairs. Nearly 50 women attended, each of them receiving a gift, as well as a certificate of appreciation from New York State Senator Velmanette Montgomery for their service to our country.

For the past 2 years, Elizabeth Carr enjoyed working closer to home at Brooklyn's VA Medical Center. She is a former member of the Social Work Education committee, assisted with annual programs for ''Women in Government'' and Black History Month at the VA. She received a monetary performance award for her outstanding contribution to the Employee Assistance Program.

Elizabeth Carr is a clinician with more than 25 years experience in health and mental health. She was previously employed with St. Luke's Roosevelt Medical Center and was also an adjunct professor of Graduate Social Work at both Columbia University and New York University.

Elizabeth Carr is a long time resident of the Willoughby Walk Cooperative Apartments in Brooklyn. She is proud of her close knit community and is actively involved. She has served many years as floor captain within the co-op. She is also active in her church, Emmanuel Baptist. She was co-editor of the church newspaper, member and chairperson for the Missions and Benevolence Ministry, and committee member for the church and co-operative's commemorative anniversaries in both 2006 and 2007.

Elizabeth Carr has many plans for this new phase of her life including completing a journal and a book of poetry, visiting family and friends, and traveling.

Madam Speaker, Elizabeth Shell Carr has given a lot to America's veterans, her church, and her community. I would like to recognize all of her accomplishments and achievements and congratulate her on her retirement.

Madam Speaker, I urge my colleagues to join me in paying tribute to this wonderful woman.

TRIBUTE TO DEXTER AND BIRDIE YAGER

HON. SUE WILKINS MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mrs. MYRICK. Madam Speaker, I rise today to honor a great couple who are a wonderful example of what is right with America. Dexter and Birdie Yager are celebrating their 50th wedding anniversary. Sadly, in America, it has become a rare thing for two people to stay together this long.

They are the proud parents of seven kids. The Yager family is extremely close—even working in a very successful business together. They exemplify achieving the American dream through hard work, and they demonstrate the love of a strong family who are there to help each other and others daily. I wish them many more happy years!

RECOGNIZING AND COMMENDING EFFORTS TO RAISE AWARENESS ABOUT AND HELP END THE WORSENING HUMANITARIAN CRISIS AND GENOCIDE IN DARFUR, SUDAN

SPEECH OF

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 29, 2007

Ms. WOOLSEY. Mr. Speaker, I rise today in support of H. Res. 573 and to commend grassroots and advocacy groups across the country for their powerful voices and invaluable efforts to raise awareness about the deepening humanitarian crisis in Darfur. This resolution will honor these groups for their hard work and urge the government to use its influence to halt the killing of innocent people in Darfur. Local communities continue to insist that the international community honor its responsibility to end the ongoing genocide in Darfur. We must heed their message, because it is one we cannot afford to ignore.

As a member of the House Subcommittee on Africa and Global Health, the Congressional, the Human Rights Caucus, and the Congressional Sudan Caucus, I share their immediate concern that our country must do everything it can to end the genocide in Darfur. More than 2.5 million Darfurians have been displaced from their homes and as many as 400,000 Darfurians have needlessly died over the last four years as a result of violence, hunger, and disease.

The tragic events unfolding in Darfur have been felt intensely by local communities across the world. The strongest efforts to end the genocide will grow from the concerns of American citizens who can no longer sit quietly by while the atrocities in Sudan continue unabated. I am proud to represent the people of California's Sixth Congressional District, who are among the people most involved in stopping the genocide in Darfur since the crisis started.

Dear Sudan, now an international movement, began in my hometown of Petaluma in 2004. Their goal was to raise enough money from citizens of Petaluma to feed the refugees from Darfur for one day. Dear Sudan, Love Petaluma was so successful that other communities began organizing first locally, then spread across the Nation, and recently founded chapters in other countries across the world.

Dear Sudan, Love Marin has hosted educational forums and worked to develop a broad coalition of religious and community groups, encompassing the entire San Francisco Bay Area. Another group, Marin Interfaith, has been instrumental in spreading the message about the ongoing genocide to the religious community at large.

Additionally, students throughout the Sixth District have organized under Save Darfur, other national organizations, or on their own to help raise awareness for the crisis in Darfur by planning educational forums, rallying, and washing cars to raise funds for refugees. Just this past weekend, a student group in Santa Rosa held a car wash at a local market, and this December, a group of students from Terra Linda High School are planning a half-day conference on the genocide.

Groups like these demonstrate the best elements of our Nation, where people can come together to work for change in the world. It is with their energy and passion in mind that we must renew our commitment to end the genocide in Darfur.

INTRODUCTION OF THE STUDENT LOAN AUCTION MARKET (SLAM) ACT OF 2007

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. PETRI. Madam Speaker, today, I am introducing the Student Loan Auction Market, SLAM, Act to continue the process of comprehensive, structural reform of the guaranteed student loan program. I believe this legislation would mark a critical step towards full market-based reform of the program and build on the reforms incorporated in the bipartisan College Cost Reduction and Access Act, which was recently signed into law by President Bush.

Specifically, the SLAM Act would further efforts to study and pilot several market-based reforms, including auction and asset-backed securities models. The politically-set subsidy rate to lenders is a fundamental flaw in the archaic structure of the guaranteed loan program. I believe we can all agree that some type of comprehensive, market-based reform will be necessary to ensure the long-term viability of the guaranteed loan program and ensure taxpayers' interests are better served.

My proposal would require the Secretaries of Education and the Treasury, in conjunction with the Government Accountability Office, GAO, the Office of Management and Budget, OMB, and the Congressional Budget Office, CBO, to conduct a joint planning study to determine which market-mechanism model for determining lender returns on guaranteed loans would best serve borrowers and taxpayers. This study would allow the experts to weigh the pros and cons of each proposal and determine which option would be most favorable for trial in the pilot program.

The pilot model will be selected by the Secretaries based on key criteria, such as ensuring sufficient loan availability to all participating institutions, minimizing administrative complexity to borrowers and lenders, and reducing the Federal cost if used on a program-wide basis. Within 6 months of enactment of this legislation, the study group would report its findings to Congress and begin implementation of a voluntary pilot program.

The voluntary, 2-year pilot program will begin in July 2008 and incorporate up to 10 percent of the guaranteed loan portfolio, increasing up to 20 percent in 2009. To encourage meaningful college participation in the pilot, any savings from the increased efficiency in the market model will be returned to the institution in the form of supplemental, need-based grant aid. Finally, GAO would conduct an independent evaluation of the pilot program and report its findings to Congress and the Secretaries within 120 days after termination of the pilot.

I believe that both the study and the pilot will provide critical and necessary information to Congress on how market-based reforms will impact the guaranteed loan program, before such reforms are implemented on a program-wide basis. This is a measured and responsible proposal that is based on voluntary participation by both colleges and lenders. It is something that both supporters and skeptics of the guaranteed loan program should embrace.

Although a much narrower and prescriptive auction pilot was included in the College Cost Reduction and Access Act, it has raised significant concerns among reform advocates, the Administration, and lenders about its feasibility and efficacy. My bill would not alter the Senate pilot that was agreed to in conference, but would require a second pilot by which to compare outcomes between the two models. It is a responsible and pragmatic addition to the current auction pilot.

I encourage my colleagues to support this legislation to further our understanding of market-based reform options. Congress should always encourage innovation in the administration of our student loan programs and continually strive to better serve students and taxpayers.

HONORING THE 80TH ANNIVERSARY OF THE CALIFORNIA DEPARTMENT OF TRANSPORTATION, OFFICE OF STRUCTURE MAINTENANCE, AND INVESTIGATIONS

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. THOMPSON of California. Madam Speaker, I rise today to pay tribute to the dedicated professionals of the California Department of Transportation's (Caltrans) Office of Structure Maintenance and Investigations, (SM&I), which is marking its 80th anniversary of service to the people of the Golden State.

In 1927, while Babe Ruth swatted 60 home runs and Charles Lindbergh crossed the Atlantic Ocean solo, the State of California showed the wisdom and foresight to create a special branch of engineering experts to ensure the safety and reliability of its State highways and bridges.

Babe Ruth's home run mark fell in 1961 to the bat of Roger Maris and air travel over the ''pond'' became a routine occurrence. All the while, California's bridge maintenance program has stood the test of time and continues to deliver on its mission of providing Californians with a safe and dependable network of bridges carrying traffic and pedestrians over rivers, canyons, railroads, highways and city streets all across the Golden State.

That effort is still paying dividends for California and the Nation. More than 24,000 State and local agency bridges in California reliably serve millions of travelers and billions of dollars of commerce because of the ongoing care provided by Structure Maintenance and Investigations staff. These structures run the gamut from the majestic San Francisco-Oakland Bay and San Diego-Coronado bridges to the historic arch spans along the scenic Monterey Coast and the tens of thousands of unassuming concrete, steel and timber bridges dotting the California landscape. The safety and reliability of California's bridges has been instrumental in fueling one of the world's largest economies. More than 160 million vehicle trips are recorded on California's transportation system each day.

Caltrans Structure Maintenance and Investigations engineering personnel have conducted more than 650,000 routine inspections and thousands of special hydraulic, steel and underwater bridge inspections since 1927. They look for any signs of deterioration, fatigue or distress in bridge decks, superstructures and substructures, and the office has initiated tens of millions of dollars in repairs to ensure the safety and structural integrity of each public agency bridge in California.

Thanks to the ongoing dedication of the Structure Maintenance and Investigations professionals, no public agency bridge in California has ever collapsed due to neglect. The bridge inspection program pioneered by Structure Maintenance & Investigations has become the model for transportation agencies around the Nation and the world.

As part of its ongoing bridge maintenance program, Structure Maintenance and Investigations maintains a library of more than one million documents, some dating back more than 100 years, documenting the history of each public agency bridge in California.

Structure Maintenance and Investigations personnel have responded in a timely and heroic fashion to a myriad of natural and manmade disasters to protect public safety and complete any needed repairs to California's transportation system. While their efforts have been well chronicled in major disasters such as the 1989 Loma Prieta and 1994 Northridge earthquakes, SM&I personnel routinely answer the call to protect public safety. Such a case occurred last year in California's Sonoma County where two engineers risked their own safety to inspect the Highway 128 bridge over the rampaging Russian River near Geyserville. The engineers determined that the floodwaters had compromised the integrity of the bridge. They closed the structure and initiated a project that resulted in construction of a new bridge.

Madam Speaker and colleagues, it is appropriate for us to convey to all the dedicated professionals at the California Department of Transportation's Office of Structure Maintenance and Investigations the thanks of a grateful State for years of dedicated service ensuring the safety and reliability of California's transportation system.

RECOGNIZING THE SUBURBAN CHAMBER OF COMMERCE OF SUMMIT, NEW PROVIDENCE, AND BERKELEY HEIGHTS, NEW JERSEY

HON. MIKE FERGUSON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. FERGUSON. Madam Speaker, I rise to recognize the Suburban Chamber of Commerce of Summit, New Providence, and Berkeley Heights, New Jersey as it celebrates its 90th Anniversary Gala this evening.

Since 1917, the Suburban Chamber of Commerce has been serving local business interests in and around the city of Summit. The Chamber is a fixture in the community, serving the interests of a wide variety of businesses and professionals, and providing valuable help to charitable organizations.

For the past 25 years the Chamber has overseen the Suburban Chambers Foundation, a charitable organization whose most important projects include scholarships for graduates of Summit, New Providence and Berkeley Heights high schools, and the Vest-A-Cop program which helps pay the costs of bullet-proof vests for local police officers.

The Chamber plays a key role in developing and bringing the community together. Each year it promotes numerous local events and charities, including the Summit Summer Street Fair, Santa's Arrival, First Night® Summit, the New Providence Christmas Walk, the Berkeley Heights Fall Festival, and May is Pride in Berkeley Heights.

I am proud that the 7th District that I represent is home to a fine organization so dedicated to fostering community, and I am pleased to honor the Chamber's 90th anniversary today.

TRIBUTE TO RANDOLPH AIR FORCE BASE IN SAN ANTONIO, TEXAS

HON. PETE SESSIONS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. SESSIONS. Madam Speaker, I rise today to congratulate Randolph Air Force Base in San Antonio, Texas for its innovation in water conservation. Roger Kiker, a civil engineer at the base, and his staff have saved taxpayers hundreds of thousands of dollars with their water conservation efforts. Their ingenuity in implementing an automatic meter reading (AMR) system and other infrastructure improvements have relieved some drought concerns in the San Antonio area, which relies solely on the Edwards Aquifer for water.

Mr. Kiker and the Randolph Air Force Base have proven to be leaders in water conservation and environmental protection. Randolph Air Force Base has reduced its water consumption by 6.1 percent and saved over 117,000,000 gallons of water this year by reusing water, planting drought tolerant landscaping, and fixing leaky meter infrastructure.

This week, Mr. Kiker and Randolph Air Force Base will receive a 2007 Presidential Award for Leadership in Federal Energy Management for water conservation. I commend them for their success in this project and hope others will follow suit in preserving our precious natural resources.

90TH ANNIVERSARY OF THE 147TH FIGHTER WING ELLINGTON FIELD, TEXAS

HON. TED POE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. POE. Madam Speaker, in the United States, we have an incredible history, especially when it comes to our Armed Forces. Today, I want to recognize one of Houston's own, the 147th Fighter Wing/111th Fighter Squadron Texas Air National Guard out of Ellington Field, Texas. Their distinguished accomplishments during times of war and peace have made them well-known not only in Texas, but across the globe.

The 111th Aero Squadron met its beginnings at Kelly Field on Aug. 14, 1917. However, it was not until June 29, 1923, that the Squadron moved to its current location, Ellington Field. During the same year, they were designated a part of the Texas National Guard under the title of the 111th Observation Squadron, 36th Division.

Their emblem, which is one of the oldest in the United States Air Force, known as the Ace-In-The-Hole, signifies their interconnectedness to the State of Texas. Its immortal stance in Texas culture results from the grandfathering of the insignia at its inception. This motion works to prevent any future alteration to the historical design.

On Sept. 25, 1940, as the country was on the brink of World War II, the 111th became part of the federal war effort. Soon thereafter, the Squadron was reintroduced as part of the 68th Observation Group.

Following a short assignment protecting the U.S. border, they began preparations for overseas combat. During the war, their initial deployments led the Squadron to the Algerian beaches, in Operation Torch. In 1943, the 111th was chosen to take part in the Tunisian Campaign of the Army's II Corps. Later, assigned to the 7th Army in Sicily, they served as the aerial support to allied troops until the end of the war.

Respectably, this famed crew flew 3,840 missions from 1943 to 1945. While serving as the eyes of the military, they destroyed 44 enemy aircraft, damaged 20 and had 12 probable kills. Because of their valor, the 111th received eight Battle Stars, the Presidential Unit Citation as well as recognitions from the French Government.

In December 1945, they returned to Texas as the 111th Fighter Squadron. On Oct. 10, 1950, the 111th returned to battle for the Korean War. Throughout this 22-month theater, they became attached to the 136th Fighter Group. The Squadron again performed gallantly and destroyed 1,343 railroad cars, 1,943 buildings, 88 bridges, 126 gun emplacements, 89 boats, 2 MIG–15 fighters and participated in activities that resulted in 5,578 enemy troop casualties.

When foreign disagreements subsided, they were assigned to Air Defense Command on U.S. soil. Later, pilots from the Fighter Wing provided aerial support for American troops during the Vietnam Conflict from 1968–1970.

Following the events of September 11, 2001, the newly renamed 147th escorted President George W. Bush and his father onboard Air Force One back to Washington, DC. Later that year, they were deployed within the United States in support of Operation Noble Eagle.

The 147th was deployed in 2005 for Operation Iraqi Freedom and the Global War on Terror. Continuing the Squadron's noted performance during previous conflicts, pilots of the Fighter Wing flew 462 sorties, with 100 percent maintenance delivery, 100 percent mission effectiveness along with 100 percent weapons employment hits while under extremely challenging combat conditions.

Although the list of overseas wartime accomplishments for the 111th are many, so is the impact and assistance provided by the same men and women on a national level to local issues. Since 1989 the Fighter Wing pilots have utilized the C–26 Merlin to conduct counter-drug law enforcement missions throughout the area. Most recently, in response to Hurricanes Katrina and Rita, the Squadron came to aid those in this area who needed it most. These fine Americans have and continue to provide tremendous service to the United States, the State of Texas and to the communities surrounding Ellington Field.

I am proud to recognize the many accomplishments of this great group of Texas patriots. On the 90th anniversary, I would like to recognize these brave men and women for their service to the United States. I am also privileged to have served at Ellington Field in the United States Air Force Reserve, 704th TAS, 924th Troop Carrier Group, 446th Troop Carrier Wing from 1970–1976.

And that's just the way it is.

IN HONOR OF SHREVE ''MAC'' ARCHER III

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Mr. FARR. Madam Speaker, I rise today to honor the memory and many accomplishments of Shreve "Mac" Archer III, pediatrician, race driver, inventor, and my cousin. He passed away in June, 2007 after a long battle with leukemia.

Mac was born in St. Paul, MN, in September, 1948. He moved to California and attended the University of California at Santa Cruz and Claremont Men's College, finally obtaining his medical degree in 1979 at the University of Miami, Florida. As a pediatrician in Carmel, CA, he specialized in learning disabilities, attention deficit disorder, and behavioral problems. He was well known for treating, studying, and funding programs for shaken baby syndrome and traumatic brain and spinal injuries.

My cousin was equally well known on the racing circuit as a professional motorcycle racer, and later as a vintage car racer for 20 years in his beloved "Old Bertha," a bright red Cobra 427. Steve Earle, who founded the Monterey Historic Races 34 years ago, said of Mac: "He always drove as competitively as possible, but without losing his manners. He was a gentleman and a great guy, and everyone admired his driving."

Mac combined his knowledge of medicine and racing in a most creative way. His business, Entropy Racing and Impact Medical Technologies, created safety products for cars, motorcycles, and jets. He and his longtime friend Eric Bernhard designed such items as a helmet for the U.S. Air Force that lessens the impact experienced when ejecting from jets. They patented the idea of flexible armor and created a back protector that cushions the spinal cord, which is now standard gear for motorcycle racers and is being used more and more by street riders. They designed an air bag for motorcycle helmets that stabilizes the neck in a crash, and helped to design the extractable seat now used in Formula 1 racecars. At the time of his death he was working on a child's safety car seat that would move on tracks to reduce the g-load during a crash and also protect the head.

Madam Speaker, I honor the life of Shreve "Mac" Archer III, a man who combined his work and play in such a way as to make the world a better place for all of us. I know I speak for every Member of Congress in offering our condolences to his wife, Kim, and their sons Damon and Shreve IV. His passing leaves us sad for our own loss, but grateful for the life he shared with us.

GOLF COURSE PRESERVATION AND MODERNIZATION ACT OF 2007

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 31, 2007

Ms. NORTON. Madam Speaker, today, I introduce the Golf Course Preservation and Modernization Act to renovate and modernize the three National Park Service, NPS, golf courses in the District of Columbia. Several years of research, investigation and consulting on ways to improve these courses demonstrate this bill is necessary to turn around the deterioration of these unique and valuable Federal assets. Langston Golf Course, Rock Creek Golf Course, and East Potomac Golf Course are in desperate need of capital investment to maintain and preserve their historic features and to reverse decades of deterioration.

East Potomac Golf Course was built in 1920 and included three courses that accommodated all levels of play, with an 18-hole tournament level course and two nine-hole practice courses. East Potomac was initially segregated, with African Americans permitted to play only on Mondays. The course was desegregated in 1941 by the Secretary of the Interior, Harold Ickes, following pressure from an African American women golfers club, the Wake Robin Golf Club. Rock Creek Golf Course opened in 1923 as a nine-hole golf course and an additional nine holes were added to make Rock Creek an 18-hole tournament level course in 1926. Langston Golf Course opened in 1939 as a segregated golf facility for African Americans and is listed in the National Register of Historic Places. Langston was the home course to the Royal Golf Club and the Wake Robin Golf Club, the Nation's first clubs for African American men and women golfers respectively. Langston was named for John Mercer Langston, the first African American Congressman from Virginia elected in 1888. Originally a nine-hole course, Langston's expansion to an 18-hole course began in 1955, but was not completed until the mid-1980s.

The courses were built and have been administered by the NPS since the early 20th century for the enjoyment of the general public. However, despite their best efforts, NPS has had a constant struggle to maintain the courses. None has been modernized and all three courses have fallen into disrepair and lack the amenities necessary to serve the public today. As a result, they are underused considering their value to the public.

NPS was created by Congress to ". . . conserve the scenery and the natural and historical objects and the wild life therein, and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations." (16 U.S.C. 1) However, NPS's own backlog of repairs, its chronic funding limitations, and the continuing use of concession contracts that are inappropriate for the unique capital investment required for golf courses militate against appropriate maintenance, historic preservation and the NPS mission "to leave them unimpaired for the public enjoyment." This bill will restore the original intent of Congress, consistent with this important NPS mission.

The three courses together constitute an undervalued public asset that, if appropriately funded, could be renovated and modernized, facilitating affordable recreation, attracting significantly more golfers, and perhaps producing new revenue for the United States Treasury. Unlike other NPS facilities, golf courses require unique and continuing significant capital investment to keep them not only maintained but operational. As a result for nearly 100

years, the courses have had problems associated with upkeep and insufficient capital investment. Without a ready source for capital investment, apart from appropriations, NPS has continuously struggled to manage and maintain each of these courses since their inception. There is no prospect that the necessary Federal funds for capital investment and improvement of golf will be available today or in the future. Moreover, the current fee to play at the golf courses, as established in the concessions contract process, must remain affordable and cannot generate sufficient revenue for NPS or the concessioners to keep the courses properly maintained, or to make the capital investment required for a golf course today. In fact, NPS owes millions of dollars to the concessioner of the golf courses for necessary improvements.

General Services Administration land and real estate professionals and other experts advise that the best option consistent with Federal law and practices is to create a long-term ground lease that bundles all three of the courses into a single contract and then to request proposals that allow for response with ideas and alternatives for modernization and maintenance consistent with anticipated use and affordability. This bill requires that historic features of the courses be preserved and that two of the three courses remain affordable to the general public.

The confines of Federal concession law inhibited NPS and the concessioner from making improvements to the courses because Federal concession laws are incompatible with golf course operations. Historically, the constrictions of NPS concessions law have been a direct cause of disrepair and capital disinvestment, reducing the quality of play and jeopardizing the historic preservation of the courses. However, the NPS is attempting to join two of the three golf courses together for the next 7 years under a proposed concession contract that was issued on October 23, 2007. The draft contract requires only that the next concessioner be able to perform routine repair and maintenance consistent with NPS practice and the limits imposed by concession law. The draft contract does not and could not impose any requirement that capital improvements be made to the courses, usually guaranteeing that these courses will stay in the same poor condition until 2015. East Potomac was excluded from the proposed concession contract because its concession contract expires next year, not for any reason associated with maintaining and improving the courses for public use. This separates East Potomac, the only financially viable golf course from Langston and Rock Creek, the two that need subsidy for their operations. The effect will leave Langston and Rock Creek worse off then they are today.

This bill would exempt these golf courses from concession law and bind the three courses into one contract. This approach applies another vehicle commonly used by the Federal Government to allow for more creative solutions consistent with the NPS mission to preserve general public access and preserve the historic qualities of the courses. The single long-term ground lease for all three courses, designed outside of the constraints of concession law, provided by this bill would encourage private investment in these courses, improve the quality of the courses, ensure affordable play, and preserve their historic nature.

I urge my colleagues to support this legislation.

FLOOR CONSIDERATION OF THE MINE COMMUNICATIONS TECHNOLOGY INNOVATION ACT OF 2007

SPEECH OF

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, October 29, 2007

Mr. UDALL of Colorado. Madam Speaker, as a cosponsor, I rise in strong support of H.R. 3877, the Mine Communications Technology Innovation Act, which was introduced by our colleague from Utah, Mr. MATHESON.

Mining is an important part of our history and it will be critical to our future as well, but we have seen too many mining accidents that have ended in tragedy. Too often, these tragedies have been related to difficulties with communication. The unfortunate deaths of six miners and three rescuers at the Crandall Canyon Mine this year has highlighted the severe communication challenges that miners face when deep underground.

While mines generally use reliable communications systems, some mines—specifically, deep underground mines—present a number of unique challenges that make communications and tracking more difficult. For example, the open air pathway required for radio signals and WiFi often do not exist in underground mines and less than ten percent of the radio spectrum that is used above ground can be used underground. Additionally, in the event of a catastrophic event, existing communications systems are often compromised.

This bill would help improve tracking and communications systems for two-way communication between the miners and people above ground. Specifically, H.R. 3877 would accelerate the research and development of innovative mine tracking and communications technologies. Since the National Institute for Occupational Safety and Health (NIOSH) addresses oversight of immediately available technologies, this legislation is targeted R&D for new technologies to advance our ability to communicate underground. Under this legislation, the National Institute of Standards and Technology (NIST) would establish an initiative to promote the research, development, and demonstration of miner tracking and communications systems and to promote the establishment of standards and other measurement services regarding underground miners.

Not only will this legislation help miners, but it will draw upon the expertise of Colorado researchers. NIST's Boulder labs have already begun similar work for communications in collapsed buildings and are well positioned to support this new effort with its experience in developing technical standards, best practices and conformance testing.

This bill will ensure that our miners have the state-of-the-art equipment they need to communicate with people above ground, especially in times of emergency. I urge the House to support this important legislation that will help us save lives in the future.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, November 1, 2007 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 5

3 p.m.
Commission on Security and Cooperation in Europe
To hold hearings to examine the twenty-first century security in the Organization for Security and Co-operation in Europe (OSCE) region, focusing on challenges among member states, protracted and unresolved conflicts, shifting political and military alliances, while still confronting the threat of terrorism.
2212–RHOB

NOVEMBER 6

10 a.m.
Energy and Natural Resources
To hold hearings to examine the efficacy of the domestic energy industry, focusing on its available workforce to meet our nation's growing needs.
SD–366

Judiciary
Business meeting to continue consideration of the nomination of Michael B. Mukasey, of New York, to be Attorney General.
SD–226

2:30 p.m.
Finance
Social Security, Pensions and Family Policy Subcommittee
To hold hearings to examine the Government Pension Offset (GPO), and the Windfall Elimination Provision (WEP), focusing on policies affecting pensions from work not covered by Social Security.
SD–215

NOVEMBER 7

9:30 a.m.
Small Business and Entrepreneurship
Business meeting to markup an original bill entitled, ''Small Business Contracting Revitalization Act of 2007''.
SR–428A

Veterans' Affairs
To hold an oversight hearing to examine the performance and structure of the United States Court of Appeals for Veterans.
SD–562

10 a.m.
Judiciary
To hold hearings to examine the United States government enforcement of intellectual property rights.
SD–226

Rules and Administration
To hold hearings to examine the Government Accountability Office report focusing on funding challenges and facilities maintenance at the Smithsonian Institution.
SR–301

1:30 p.m.
Banking, Housing, and Urban Affairs
To hold hearings to examine sovereign wealth fund acquisitions and other foreign government investments in the United States, focusing on economic and national security implications.
SD–538

NOVEMBER 8

10 a.m.
Health, Education, Labor, and Pensions
To hold hearings to examine ways to protect the employment rights of those who protect the United States.
SD–430

Joint Economic Committee
To hold hearings to examine the employment-unemployment situation for November 2007.
SH–216

2:30 p.m.
Energy and Natural Resources
National Parks Subcommittee
To hold hearings to examine S. 86, to designate segments of Fossil Creek, a tributary to the Verde River in the State of Arizona, as wild and scenic rivers, S. 1365, to amend the Omnibus Parks and Public Lands Management Act of 1996 to authorize the Secretary of the Interior to enter into cooperative agreements with any of the management partners of the Boston Harbor Islands National Recreation Area, S. 1449, to establish the Rocky Mountain Science Collections Center to assist in preserving the archeological, anthropological, paleontological, zoological, and geologic artifacts and archival documentation from the Rocky Mountain region through the construction of an on-site, secure collections facility for the Denver Museum of Nature and Science in Denver, Colorado, S. 1921, to amend the American Battlefield Protection Act of 1996 to extend the authorization for that Act, S. 1941, to direct the Secretary of the Interior to study the suitability and feasibility of designating the Wolf House, located in Norfolk, Arkansas, as a unit of the National Park System, S. 1961, to expand the boundaries of the Little River Canyon National Preserve in the State of Alabama, S. 1991, to authorize the Secretary of the Interior to conduct a study to determine the suitability and feasibility of extending the Lewis and Clark National Historic Trail to include additional sites associated with the preparation and return phases of the expedition, S. 2098, to establish the Northern Plains Heritage Area in the State of North Dakota, S. 2220, to amend the Outdoor Recreation Act of 1963 to authorize certain appropriations, and H.R. 1191, to authorize the National Park Service to pay for services rendered by subcontractors under a General Services Administration Indefinite Deliver Indefinite Quantity Contract issued for work to be completed at the Grand Canyon National Park.
SD–366

NOVEMBER 13

2:30 p.m.
Energy and Natural Resources
To hold an oversight hearing to examine the Surface Mining Control and Reclamation Act (Public Law 95–87), focusing on policy issues thirty years later.
SD–366

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S13589–S13646

Measures Introduced: Thirteen bills and two resolutions were introduced, as follows: S. 2267–2279, and S. Res. 361–362. **Page S13624**

Measures Reported:

S. 2271, to authorize State and local governments to divest assets in companies that conduct business operations in Sudan, to prohibit United States Government contracts with such companies. (S. Rept. No. 110–213) **Page S13624**

Measures Passed:

Collection of Donations to United States Military Personnel: Senate agreed to S. Res. 361, to permit the collection of donations in Senate buildings to be sent to United States military personnel on active duty overseas participating in or in support of Operation Iraqi Freedom, Operation Enduring Freedom, and the war on terrorism. **Page S13645**

American Society of Agronomy 100th Anniversary: Senate agreed to S. Res. 362, recognizing 2007 as the year of the 100th anniversary of the American Society of Agronomy. **Pages S13645–46**

Charlie Norwood Department of Veterans Affairs Medical Center: Committee on Veterans' Affairs was discharged from further consideration of H.R. 1808, to designate the Department of Veterans Affairs Medical Center in Augusta, Georgia, as the "Charlie Norwood Department of Veterans Affairs Medical Center", and the bill was then passed, clearing the measure for the President. **Page S13646**

Navy SEALs National Museum: Committee on Armed Services was discharged from further consideration of H.R. 2779, to recognize the Navy UDT–SEAL Museum in Fort Pierce, Florida, as the official national museum of Navy SEALs and their predecessors, and the bill was then passed, clearing the measure for the President. **Page S13646**

Measures Considered:

State Children's Health Insurance Program: Senate resumed consideration of the motion to proceed to consideration of H.R. 3963, to amend title XXI of the Social Security Act to extend and improve the Children's Health Insurance Program. **Pages S13598–S13611**

During consideration of this measure today, Senate also took the following action:

By 62 yeas to 33 nays (Vote No. 401), three-fifths of those Senators duly chosen and sworn, having voted in the affirmative, Senate agreed to the motion to close further debate on the motion to proceed to consideration of the bill. **Page S13610**

A unanimous-consent agreement was reached providing that the vote on the motion to proceed to consideration of the bill be considered as if the vote had occurred at 6:30 p.m., on Wednesday, October 31, 2007 and concluded at 6:50 p.m. with the time following the conclusion of morning business prior to the vote equally divided between the two Leaders, or their designees. **Page S13598**

A unanimous-consent agreement was reached providing for further consideration of the motion to proceed to consideration of the bill at approximately 11 a.m., on Thursday, November 1, 2007; provided further, that all time consumed in morning business during Wednesday, October 31, 2007 as Thursday, November 1, 2007, as well as the time during the adjournment, count post-cloture. **Page S13646**

Measures Placed on the Calendar: **Pages S13589, S13622–23**

Executive Communications: **Page S13623**

Executive Reports of Committees: **Page S13624**

Additional Cosponsors: **Pages S13624–25**

Statements on Introduced Bills/Resolutions: **Pages S13625–41**

Additional Statements: **Pages S13621–22**

Amendments Submitted: **Pages S13641–44**

Authorities for Committees To Meet: **Pages S13644–45**

Record Votes: One record vote was taken today. (Total—401) **Page S13610**

Adjournment: Senate convened at 12 noon and adjourned at 5:49 p.m., until 10 a.m. on Thursday, November 1, 2007. (For Senate's program, see the

remarks of the Acting Majority Leader in today's Record on page S13646.)

Committee Meetings

(Committees not listed did not meet)

CLIMATE DISCLOSURE

Committee on Banking, Housing, and Urban Affairs: Subcommittee on Securities, Insurance and Investment concluded a hearing to examine climate disclosure, focusing on measuring financial risks and opportunities, including how economics can inform national and global responses to the risks and opportunities of climate change, and how those risks might be connected with the health of financial markets, after receiving testimony from Gary W. Yohe, Wesleyan University, Middletown, Connecticut; Jeffrey A. Smith, Cravath, Swaine and Moore LLP, New York, New York; Mindy S. Lubber, Ceres, on behalf of the Investor Network on Climate Risk, Boston, Massachusetts; and Russell Read, California Public Employees' Retirement System, Sacramento, California.

BIPARTISAN TASK FORCE FOR RESPONSIBLE FISCAL ACTION ACT OF 2007

Committee on the Budget: Committee concluded a hearing to examine S. 2063, to establish a Bipartisan Task Force for Responsible Fiscal Action, to assure the economic security of the United States, and to expand future prosperity and growth for all Americans, after receiving testimony from Representative Hoyer; David M. Walker, Comptroller General of the United States, Government Accountability Office; former Representative Leon E. Panetta, Panetta Institute for Public Policy, Seaside, California; and William D. Novelli, AARP, and Robert L. Bixby, Concord Coalition, both of Washington, DC.

YUCCA MOUNTAIN REPOSITORY

Committee on Environment and Public Works: Committee concluded a hearing to examine the licensing process for the Yucca Mountain Repository, after receiving testimony from Senators Reid, Ensign, and DeMint; Edward F. Sproat III, Director of the Office of Civilian Radioactive Waste Management, Department of Energy; Robert J. Meyers, Principal Deputy Assistant Administrator for the Office of Air and Radiation, Environmental Protection Agency; Michael Weber, Director, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission; Catherine Cortez Masto, Nevada Attorney General, Carson City; and James Y. Kerr II, North Carolina Utilities Commissioner, on behalf of the National Association of Regulatory Utility Commissioners, and Kenneth A. Cook, Environmental Working Group, both of Washington, DC.

BUSINESS MEETING

Committee on Foreign Relations: Committee ordered favorably reported the following:

United Nations Convention on the Law of the Sea, with Annexes, done at Montego Bay, December 10, 1982 (the ''Convention''), and the Agreement Relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982, with Annex, adopted at New York, July 28, 1994 (the ''Agreement''), and signed by the United States, subject to ratification, on July 29, 1994 (Treaty Doc. 103–39);

Convention Between the Government of the United States of America and the Government of the Kingdom of Belgium for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and accompanying Protocol, signed on November 27, 2006, at Brussels (the ''proposed Treaty'') (Treaty Doc. 110–03);

Protocol Amending the Convention Between the Government of the United States of America and the Government of the Kingdom of Denmark for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income signed at Copenhagen May 2, 2006 (the ''Protocol'') (Treaty Doc. 109–19);

Protocol Amending the Convention Between the Government of the United States of America and the Government of the Republic of Finland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital, signed at Helsinki May 31, 2006 (the ''Protocol'') (Treaty Doc. 109–18);

Protocol Amending the Convention Between the United States of America and the Federal Republic of Germany for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital and to Certain Other Taxes, Signed on August 29, 1989, signed at Berlin June 1, 2006 (the ''Protocol''), along with a related Joint Declaration (Treaty Doc. 109–20); and

The nominations of Patrick Francis Kennedy, of Illinois, to be an Under Secretary of State (Management), Sean R. Mulvaney, of Illinois, to be an Assistant Administrator of the United States Agency for International Development, and Daniel D. Heath, of New Hampshire, to be United States Alternate Executive Director of the International Monetary Fund.

MENTAL HEALTH CARE IN THE GULF COAST

Committee on Homeland Security and Governmental Affairs: Ad Hoc Subcommittee on Disaster Recovery

concluded a hearing to examine post-catastrophe crisis, focusing on addressing the dramatic need and scant availability of mental health care in the Gulf Coast area, after receiving testimony from A. Kathryn Power, Director, Center for Mental Health Services, Substance Abuse and Mental Health Services Administration, Department of Health and Human Services; Jan M. Kasofsky, Capital Area Human Services District (CAHSD), Baton Rouge, Louisiana; Ronald C. Kessler, Harvard Medical School Department of Health Care Policy, Boston, Massachusetts, on behalf of the Hurricane Katrina Community Advisory Group (CAG) study; and Anthony H. Speier, Louisiana Department of Health and Hospitals, Kevin U. Stephens, News Orleans Health Department, and Howard J. Osofsky, and Mark H. Townsend, both of Louisiana State University Health Sciences Center Department of Psychiatry, all of New Orleans, Louisiana.

FISA AMENDMENTS

Committee on the Judiciary: Committee concluded a hearing to examine Foreign Intelligence Surveillance Act (FISA) amendments, focusing on ways to protect Americans' security and privacy while preserving the rule of law and government accountability, including S. 2248, to amend the Foreign Intelligence Surveillance Act of 1978, to modernize and streamline the provisions of that Act, and H.R. 3773, to amend the Foreign Intelligence Surveillance Act of 1978 to establish a procedure for authorizing certain acquisitions of foreign intelligence, after receiving testimony from Kenneth L. Wainstein, Assistant Attorney General, National Security Division, Department of Justice; and Edward J. Black, Computer and Communications Industry Association, Patrick F. Philbin, former Associate Deputy Attorney General, Kirkland and Ellis, and Morton H. Halperin, Open Society Institute, all of Washington, DC.

UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT

Committee on Veterans' Affairs: Committee concluded an oversight hearing to examine the Uniformed Services Employment and Reemployment Rights Act (USERRA), focusing on servicemembers, their families, and our national security, after receiving testimony from George H. Stalcup, Director, Strategic Issues, Government Accountability Office; Charles S. Ciccolella, Assistant Secretary for Veterans Employment and Training, and Patrick Boulay, Chief, USERRA Unit, both of the Department of Labor; James Byrne, Deputy Special Counsel, Office of Special Counsel; and Mathew B. Tully, Tully, Rinckey and Associates, PLLC, Albany, New York.

House of Representatives

Chamber Action

Public Bills and Resolutions Introduced: 23 public bills, H.R. 4014–4036; 2 private bills, H.R. 4037–4038; and 4 resolutions, H.J. Res. 61; H. Con. Res. 244; and H. Res. 786–787 were introduced. **Pages H12383–84**

Additional Cosponsors: **Pages H12384–85**

Reports Filed: Reports were filed today as follows:

H.R. 3890, to amend the Burmese Freedom and Democracy Act of 2003 to waive the requirement for annual renewal resolutions relating to import sanctions, impose import sanctions on Burmese gemstones, expand the number of individuals against whom the visa ban is applicable, and expand the blocking of assets and other prohibited activities, with an amendment (H. Rept. 110–418, Pt. 1) and

H.R. 3355, to ensure the availability and affordability of homeowners' insurance coverage for catastrophic events, with an amendment (H. Rept. 110–419). **Page H12383**

Chaplain: The prayer was offered by the guest Chaplain, Rev. Eric W. Jorgensen, St. Stephen's Reformed Episcopal Church, Eldersburg, Maryland. **Page H12241**

Journal: The House agreed to the Speaker's approval of the Journal by a yea-and-nay vote of 222 yeas to 190 nays with 2 voting "present", Roll No. 1023. **Pages H12252–53**

Trade and Globalization Act of 2007: The House passed H.R. 3920, to amend the Trade Act of 1974 to reauthorize trade adjustment assistance and to extend trade adjustment assistance to service workers and firms, by a yea-and-nay vote of 264 yeas to 157 nays, Roll No. 1025. **Pages H12253–H12337**

Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill, modified by the amendment printed in part A of H. Rept. 110–417, shall be considered as adopted. **Page H12266**

Agreed by unanimous consent that during the consideration of H.R. 3920, the amendment printed in part B of H. Rept. 110–417 is modified by the form placed at the desk. **Pages H12289–93**

Rejected:

McCrery modified amendment in the nature of a substitute (printed in part B of H. Rept. 110–417) that would have reauthorized the Trade Adjustment Assistance (TAA) programs for workers, firms and farmers for 5 years. Restructured the TAA to increase training options while retaining the current two years of income support for TAA for workers program participants who remain unemployed and train full-time. Increased the federal share of monthly TAA participant premiums for the Health Coverage Tax Credit (HCTC) from 65% today to 70% and continues HCTC. Allowed States to apply for waivers of unemployment compensation program rules. Expanded the new markets tax credit to benefit firms and workers in local communities impacted by trade, globalization, and other causes of job loss. Extended Workforce Investment Act (WIA) employment and training programs, creates a consolidated funding stream, and increases State and local flexibility. Provided for collection of Unemployment Insurance overpayments (by a yea-and-nay vote of 196 yeas to 226 nays, Roll No. 1024). **Pages H12293–H12336**

Agreed that the Clerk be authorized to make technical and conforming changes to reflect the actions of the House. **Page H12348**

H. Res. 781, the rule providing for consideration of the bill, was agreed to by a recorded vote of 222 ayes to 193 noes, Roll No. 1022, after agreeing to order the previous question by a yea-and-nay vote of 224 yeas to 190 nays, Roll No. 1021. **Pages H12244–52**

Moment of Silence: The House observed a moment of silence in honor of Peter Hoagland, former Member of Congress. **Page H12336**

Moment of Silence: The House observed a moment of silence in honor of Thomas Meskill, former Member of Congress. **Page H12336**

Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2008—Motion to go to Conference: The House disagreed to the amendment of the Senate to H.R. 3043, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, and agreed to a conference by voice vote. **Pages H12337–48**

Rejected the Lewis (CA) motion to instruct conferees on the bill by a yea-and-nay vote of 191 yeas to 222 nays, Roll No. 1026. **Pages H12343–47**

Appointed as conferees: Representatives Obey, Lowey, DeLauro, Jackson (IL), Kennedy, Roybal-Allard, Lee, Udall (NM), Honda, McCollum (MN), Ryan (OH), Murtha, Edwards, Walsh (NY), Regula, Peterson (PA), Weldon (FL), Simpson, Rehberg, Young (FL), Wicker, and Lewis (CA). **Page H12348**

Committee Resignation: Read a letter from Representative Langevin wherein he resigned from the Committee on Armed Services, effective today. **Page H12348**

Senate Message: Message received from the Senate today appears on page H12253.

Senate Referrals: S. 294 and S. 2265 were referred to the Committee on Transportation and Infrastructure and S. 2198 was referred to the Committee on House Administration. **Pages H12253, H12382**

Quorum Calls—Votes: Five yea-and-nay votes and one recorded vote developed during the proceedings of today and appear on pages H12251–52, H12252, H12252–53, H12335–36, H12337 and H12347. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 10:12 p.m.

Committee Meetings

S–MINER ACT

Committee on Education and Labor: Ordered reported, as amended, H.R. 2768, Supplemental Mine Improvement and New Emergency Response Act of 2007.

DIGITAL TELEVISION TRANSITION (PART III)

Committee on Energy and Commerce: Subcommittee on Telecommunications and The Internet, to continued hearings entitled "Status of the DTV Transition—Part 3." Testimony was heard from public witnesses.

MISCELLANEOUS MEASURES

Committee on Financial Services: Ordered reported the following bills: H.R. 3873, Section 515 Rural Housing Property Transfer Improvement Act of 2007; H.R. 3959, amended, To amend the National Flood Insurance Act of 1968 to provide for the phase-in of actuarial rates for certain pre-FIRM properties; H.R. 3965, amended, Mark-to-Mark Extension and Enhancement Act of 2007; and H.R. 3703, To amend section 5112(p)(1)(A) of title 31, United States Code, to allow an exception for the $1 coin dispensing capability requirement for certain vending machines.

NON-ABORTION FAMILY PLANNING AID

Committee on Foreign Affairs: Held a hearing on The Mexico City Policy/Global Gag Rule: Its Impact on Family Planning and Reproductive Health. Testimony was heard from public witnesses.

STATE DEPARTMENT'S INSPECTOR GENERAL

Committee on Foreign Affairs: Subcommittee on International Organizations, Human Rights, and Oversight held a hearing on the Activities of the Department of State's Office of the Inspector General. Testimony was heard from David M. Walker, Comptroller General, GAO.

HOMELAND SECURITY FAILURES

Committee on Homeland Security: Held a hearing entitled ''Homeland Security: TWIC Failures: TWIC Examined.'' Testimony was heard from the following officials of the Department of Homeland Security: Edmond S. Hawley, Administrator, Transportation Security Administration; and ADM Brian Salerno, USCG, Director, Inspection and Compliance, U.S. Coast Guard; Cathy Berrick, Director, Homeland Security and Justice, GAO; Bethann Rooney, Manager, Port Security, Port Commerce Department, Port Authority of New York and New Jersey; and public witnesses.

NUCLEAR FORENSICS AND ATTRIBUTION ACT

Committee on Homeland Security: Subcommittee on Emerging Threats, Cybersecurity, and Science and Technology approved for full Committee action, as amended, H.R. 2631, Nuclear Forensics and Attribution Act.

CYBERSECURITY ELEMENTS-SECTOR SPECIFIC PLANS

Committee on Homeland Security: Subcommittee on Emerging Threats, Cybersecurity, and Science and Technology and the Subcommittee on Transportation Security and Infrastructure Protection held a joint hearing entitled ''Enhancing and Implementing the Cybersecurity Elements of the Sector Specific Plans.'' Testimony was heard from Greg Garcia, Assistant Secretary, Office of Cyber Security and Telecommunication, Department of Homeland Security; David Powner, Director, Information Technology Management Issues, GAO; and public witnesses.

ANTI-TRAFFICKING PROGRAMS REAUTHORIZATION

Committee on the Judiciary: Held a hearing on Combating Modern Slavery: Reauthorization of Anti-Trafficking Programs. Testimony was heard from Laurence Rothenberg, Deputy Assistant Attorney General, Office of Legal Policy, Department of Justice; Marcy Forman, Director, Office of Investigations, U.S. Immigration and Customs Enforcement, Department of Homeland Security; and public witnesses.

IZEMBEK AND ALASKA PENINSULA WILDLIFE REFUGES

Committee on Natural Resources: Held a hearing on H.R. 2801, Izembek and Alaska Peninsula Wildlife Refuges and Wilderness Enhancement and King Cove Safe Access Act. Testimony was heard from H. Dale Hall, Director, U.S. Fish and Wildlife Service, Department of the Interior; Dick Mylius, Director, Division of Mining, Land and Water, Department of Natural Resources, State of Alaska; and public witnesses.

ENERGY DEVELOPMENT ENVIRONMENT HEALTH EXEMPTIONS

Committee on Oversight and Government Reform: Held a hearing on Oil and Gas Development: Exemptions in Health and Environmental Protections. Testimony was heard from Robert Anderson, Deputy Assistant Director, Minerals, Realty and Resource Protection, Bureau of Land Management, Department of the Interior; Benjamin H. Grumbles, Assistant Administrator, Water, EPA; and public witnesses.

NASA'S AVIATION SAFETY

Committee on Science and Technology: Held a hearing on Aviation Safety: Can NASA Do More To Protect the Public? Testimony was heard from Michael Griffin, Administrator, NASA; and public witnesses.

NANOTECHNOLOGY ENVIRONMENT/ SAFETY IMPACTS

Committee on Science and Technology: Subcommittee on Research and Science Education held a hearing on Research on Environmental and Safety Impacts of Nanotechnology: Current Status of Planning and Implementation under the National Nanotechnology Initiative. Testimony was heard from public witnesses.

MEDICAL EQUIPMENT SUPPLIER COMPETITION

Committee on Small Business: Subcommittee on Investigations and Oversight held a hearing entitled ''Competitive Bidding for Durable Medical Equipment: Will Small Suppliers Be Able To Compete?'' Testimony was heard from Laurence D. Wilson, Director, Chronic Care Policy Group, Center for Medicare Management, Centers for Medicare and Medicaid Services, Department of Health and Human Services; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Transportation and Infrastructure: Ordered reported the following measures: H.R. 3999, National Highway Bridge Reconstruction and Inspection Act of 2007; H.R. 3495, amended, Kids in Disasters Well-being, Safety, and Health Act of 2007; H.R. 3986, John F. Kennedy Center Reauthorization Act of 2007; H.R. 2537, amended, Beach Protection Act of 2007; H.R. 3985, Over-the-Road Bus Transportation Accessibility Act of 2007; H.R. 3315, To provide that the great hall of the Capital Visitor Center shall be known as the Emancipation Hall; H.R. 3712, To designate the Federal building and United States courthouse located at 1716 Spielbusch Avenue in Toledo Ohio, as the "James M. And Thomas W. L. Ashley Customs Building and United States Courthouse;" H. Res. 661, Honoring the accomplishments of Barrington Antonio Irving, the youngest pilot and first person of African descent ever to fly solo around the world; and H. Res. 772, Recognizing the American Highway Users Alliance on the occasion of its 75th anniversary.

The Committee also approved U.S. Army Corps of Engineers Survey Resolutions.

U.S.-PERU TRADE PROMOTION AGREEMENT IMPLEMENTATION

Committee on Ways and Means: Ordered reported H.R. 3688, United States-Peru Trade Promotion Agreement Implementation Act.

BRIEFINGS

Permanent Select Committee on Intelligence: Met in executive session to receive briefings on the following: Hot Spots; DNI Personnel; and the CIA. The Committee was briefed by departmental witnesses.

COMMITTEE MEETINGS FOR THURSDAY, NOVEMBER 1, 2007

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Environment and Public Works: Subcommittee on Private Sector and Consumer Solutions to Global Warming and Wildlife Protection, business meeting to consider S. 2191, to direct the Administrator of the Environmental Protection Agency to establish a program to decrease emissions of greenhouse gases, 9 a.m., SD–406.

Committee on Finance: to hold hearings to examine pending nominations, 10 a.m., SD–215.

Committee on Health, Education, Labor, and Pensions: to hold hearings to examine the nominations of Gregory F. Jacob, of New Jersey, to be Solicitor, and Howard Radzely, of Maryland, to be Deputy Secretary, both of the Department of Labor, 10:30 a.m., SD–430.

Committee on Homeland Security and Governmental Affairs: Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security, to hold hearings to examine the Small Business Administration, focusing on the efficacy of the 7(a) loan program, 2 p.m., SD–342.

Committee on Indian Affairs: to hold an oversight hearing to examine the impact of the Flood Control Act of 1944 on Indian Tribes along the Missouri River, 9:30 a.m., SD–628.

Committee on the Judiciary: business meeting to consider S. 2168, to amend title 18, United States Code, to enable increased federal prosecution of identity theft crimes and to allow for restitution to victims of identity theft, S. 1946, to help Federal prosecutors and investigators combat public corruption by strengthening and clarifying the law, S. 352, to provide for media coverage of Federal court proceedings, S. 2135, to prohibit the recruitment or use of child soldiers, to designate persons who recruit or use child soldiers as inadmissible aliens, to allow the deportation of persons who recruit or use child soldiers, and the nominations of John Daniel Tinder, of Indiana, to be United States Circuit Judge for the Seventh Circuit, Julie L. Myers, of Kansas, to be Assistant Secretary of Homeland Security, and Michael J. Sullivan, of Massachusetts, to be Director, Bureau of Alcohol, Tobacco, Firearms, and Explosives, 10 a.m., SD–226.

Select Committee on Intelligence: meeting of conferees on proposed legislation authorizing funds for fiscal year 2008 for the intelligence community, 10 a.m., S–407, Capitol.

Full Committee, to hold closed hearings to examine certain intelligence matters, 2:30 p.m., SH–219.

House

Committee on the Budget, hearing on Counting the Change: Accounting for the Fiscal Impacts of Controlling Carbon Emissions, 11:30 a.m., 210 Cannon.

Committee on Education and Labor, hearing on Barriers to Equal Educational Opportunities: Addressing the Rising Costs of a College Education, 11 a.m., 2175 Rayburn.

Committee on Energy and Commerce, Subcommittee Oversight and Investigations, hearing entitled "FDA Foreign Drug Inspection Program: A System at Risk," 10 a.m., 2123 Rayburn.

Committee on Homeland Security, Subcommittee on Transportation Security and Infrastructure Protection, hearing entitled "Aviation Security Part II: A Frontline Perspective on the Need for Enhanced Human Resources and Equipment," 2 p.m., 311 Cannon.

Committee on the Judiciary, Subcommittee on Commercial and Administrative Law, hearing on H.R. 3359, Mobile Workforce State Income Tax Fairness and Simplification Act of 2007, 12 p.m., 2237 Rayburn.

Subcommittee on Crime, hearing on H.R. 2878, Enhanced Financial Recovery and Equitable Retirement Treatment Act of 2007; and to mark up the following bills: H.R. 2489, Genocide Accountability Act of 2007; H.R. 3971, Death in Custody Reporting Act of 2007; H.R. 3992, Mentally Ill Offender Treatment and Crime

Reauthorization and Improvement Act of 2007, 10 a.m., 2141 Rayburn.

Committee on Natural Resources, Subcommittee on National Parks, Forests and Public Lands, hearing on H.R. 3301, Southeast Arizona Land Exchange and Conservation Act of 2007, 10 a.m., 1324 Longworth.

Committee on Oversight and Government Reform, hearing on The Administration's Regulatory Actions on Medicaid: The Effects on Patients, Doctors, Hospitals, and States, 10 a.m., 2154 Rayburn.

Subcommittee on Government Management, Organization and Procurement, hearing on Too Many Cooks? Coordinating Federal and State Health IT, 2 p.m., 2154 Rayburn.

Committee on Small Business, hearing on Evaluating the Impact of Pending Free Trade Agreements upon U.S. Small Businesses, 10 a.m., 2360 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Highway and Transit, hearing on Drug and Alcohol Testing of Commercial Motor Vehicle Drivers, 10 a.m., 2167 Rayburn.

Committee on Veterans' Affairs, Subcommittee on Health, hearing on the VA Construction Process, 10 a.m., 334 Cannon.

Committee on Ways and Means, to mark up the following bills: H.R. 3996, Temporary Tax Relief Act of 2007; and H.R. 3997, Heroes Earnings Assistance and Relief Tax Act of 2007, 11:30 a.m., 1100 Longworth.

Select Committee on Energy Independence and Global Warming, hearing entitled ''Wildfires and the Climate Crisis,'' 10 a.m., 2172 Rayburn.

Joint Meetings

Joint Hearing: Senate Select Committee on Intelligence, meeting of conferees on proposed legislation authorizing funds for fiscal year 2008 for the intelligence community, 10 a.m., S–407, Capitol.

Conference: meeting of conferees on H.R. 3043, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, 10 a.m., HC–5, Capitol.

Next Meeting of the SENATE

10 a.m., Thursday, November 1

Senate Chamber

Program for Thursday: After the transaction of any morning business (not to extend beyond 60 minutes), Senate will continue consideration of the motion to proceed to the consideration of H.R. 3963, Children's Health Insurance Program Reauthorization Act.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Thursday, November 1

House Chamber

Program for Thursday: H.R. 2262—Hardrock Mining and Reclamation Act of 2007 (Structured Rule).

Extensions of Remarks, as inserted in this issue

HOUSE

Congressional Record

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