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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable KIRSTEN E. GILLIBRAND, a Senator from the State of New York.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

O Lord, our God, ever living and ever giving, strengthen us to enter into Your purpose and to bring blessings to our world. Kindle such flames of sacred love within the hearts of our Senators that they will be motivated by their passion to please You. Amid all that is transient and temporal, keep them loyal to the transcendent and determined. May they test their actions by their conscience and by their wisdom of Your word and spirit. Lord, strengthen them in every endeavor, empowering them in all that pertains to that righteousness which exalts a nation. Bind them together in the oneness of a shared commitment to You.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable KIRSTEN E. GILLIBRAND 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. INOUYE).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 25, 2012.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KIRSTEN E. GILLIBRAND, a Senator from the State of New York, to perform the duties of the Chair.

DANIEL K. INOUYE,
President pro tempore.

Mrs. GILLIBRAND thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

MIDDLE CLASS TAX CUT ACT—MOTION TO PROCEED

Mr. REID. Madam President, I now move to proceed to Calendar No. 467, the Middle Class Tax Cut Act of 2012.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to Calendar No. 467, S. 3412, a bill to amend the Internal Revenue Code of 1986 to provide tax relief to middle class families.

SCHEDULE

Mr. REID. Madam President, we are now in the midst of another Republican filibuster. So the time until 2:15 today will be equally divided and controlled between the two leaders or their designees. The Republicans will control the first 30 minutes and the majority will control the second 30 minutes. At 2:15, there will be a cloture vote on the motion to proceed to the Middle Class Tax Cut Act that was just outlined by the clerk.

MEASURE PLACED ON THE CALENDAR—S. 3429

Mr. REID. Madam President, I understand that S. 3429 is at the desk and due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title for the second time.

The assistant legislative clerk read as follows:

A bill (S. 3429) to require the Secretary of Veterans Affairs to establish a veterans job corps, and for other purposes.

Mr. REID. Madam President, I would object to any further proceedings with respect to this legislation.

The ACTING PRESIDENT pro tempore. Objection having been heard, the bill will be placed on the calendar.

MIDDLE CLASS TAX CUT ACT OF 2012

Mr. REID. Madam President, for the third time in as many weeks, Republicans are poised to kill a tax cut without ever debating it on the Senate floor.

Two weeks ago, Republicans filibustered legislation to cut taxes for small businesses. Last week, they filibustered a bill to end tax breaks for corporations that ship jobs overseas and cut taxes for companies that move jobs back to America. Now they are filibustering our plan to cut taxes for 114 million middle-class families. Not one of these bills has gotten a debate on the Senate floor. So let's look at what led to this latest Republican filibuster.

Two weeks ago, Senator MCCONNELL came to the Senate floor to ask for two votes, one on the Democratic plan to cut taxes for 98 percent of American families and reduce the deficit by about $1 trillion. The other vote he wanted was on the Republican plan to raise taxes by $1,000 each for 25 million middle-class families while handing out tax breaks to millionaires of $160,000 each.

That afternoon, I told the minority leader that Democrats were willing to give Republicans what they said they wanted—those two votes. But although it had been only a few short hours since Senator MCCONNELL asked for those two votes, my offer was refused. He said he had to see our proposal first.

It seemed like a thin excuse at the time. He hadn't seen our proposal when he asked for the votes in the first place, but others within his caucus had seen it, and the staff had seen it, of course. But I took the minority leader at his word.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

So Democrats produced legislation in legislative form, and we offered once again to vote on our bill and on the Republicans' plan to hike middle-class taxes. Again, they refused the up-or-down votes they had asked for. This time they wanted a third vote now, on a different plan, we are told.

We have President Obama's tax plan before us. I am not going to make up some tax plan of the President that they said they are going to do. We have President Obama's tax plan. We have worked hand in glove with him now for months to come to the body with what we have today. So this third vote is again a charade.

The Presiding Officer has a couple of small children. My children aren't so small anymore. But small children being small children, it is very often they have a bedtime tactic that has been used forever. I am sure the Presiding Officer's children—and I know my kids—when they needed to get to sleep always wanted one more story. They would ask for one more story and then one more story. But parents learned and saw this bedtime story for what it is, a delaying tactic to stave off bedtime.

Americans see the Republicans' hollow request for one more vote, a made-up vote, for what it is, an excuse to put off a simple majority vote on the Democrats' plan to cut taxes for the middle class. Of course, we know why Republicans are filibustering our plan to protect the middle class: They know it would pass if we held an up-or-down majority vote on that today.

Our bill has the support of President Obama, it has the support of the Democratic caucus, and it has the support of the American people. A majority of Americans—including a significant majority of Republicans—agree taxes should remain low for the middle class and that the top 2 percent should pay their fair share to reduce the deficit. As I said, the majority of Republicans agree. The only place there is no agreement is with the Republicans in Congress. They once again have decided to obstruct rather than to legislate. So the Senate may not even get to debate the merits of our plan to cut taxes for 98 percent of American families.

There is still time for Republicans to reverse course and drop their filibuster. They owe the American people a serious debate on this proposal.

CYBERSECURITY

Madam President, I hope my friends on the other side of the aisle will allow us to debate a crucial cybersecurity bill before the end of this month. We hope to have a vote on this as early as tomorrow or the next day.

Cybersecurity—a new word, but there is nothing more important to national security than doing something about cybersecurity. If we do not pass this legislation that is now before the Senate, if we don't do something about this, we are told by the experts it is not a question of if; it is a question of when. This legislation is extremely important.

National security experts from the left, the right, and center say weaknesses in our cyber defenses are among the greatest threats facing our Nation—and some say it is the greatest threat facing our Nation. So Congress must act rapidly to address this issue.

The House and Senate must also act before Congress leaves for the August recess to pass the final version of legislation initiating new Iran sanctions.

This past year, the Senate conference has been hard at work to complete this agreement. I have been clear that I expect the negotiations to conclude soon so we can further tighten these sanctions against Iran. Sanctions are critical. It is a critical tool to help stop Iran's nuclear weapons program and ensuring the security of our ally, the State of Israel.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHANNS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

ORDER OF BUSINESS

Under the previous order, the time until 2:15 p.m. will be equally divided or controlled between the two leaders or their designees, with the Republicans controlling the first 30 minutes and the majority controlling the second 30 minutes.

Mr. JOHANNS. Madam President, I come to the floor to discuss a wholly predictable and foreseeable economic disaster. I ask why the Senate continues to waste valuable time while we continue barrelling toward a fiscal cliff.

In a little more than 5 months, the current tax rates are scheduled to expire for every single American, resulting in the largest tax increase in history.

It is hard to imagine this massive tax increase is what the President wants. Just 2 years ago, he warned that we absolutely should not raise taxes in a poor economy. Yet today the economy is actually in worse shape.

So what does the President do? He calls for raising taxes on job creators, on small business owners filing as individuals, on investment income, on all those things that actually drive economic prosperity and hiring.

Their favorite talking point claims that all those making more than $250,000 should just be taxed more. While those families reporting income of more than $250,000 may only make up about 2 percent of all tax returns, it is these citizens who are the owners of small businesses that employ 25 percent of America's workforce. These are the same small business owners that created two-thirds of the net jobs in the last decade.

I hear from small business owners in Nebraska every day, and they tell me if faced with a more expensive tax bill, they will be forced to cut costs elsewhere.

In fact, according to the global accounting firm Ernst & Young, the Democrats' tax plan would result in 710,000 fewer jobs compared to simply keeping the current rate the same for all Americans.

The economic wreckage resulting from the tax hike doesn't stop there. In the same study, Ernst & Young estimates these reckless policies will drive wages of hardworking Americans down by 1.8 percent.

Furthermore, investment is estimated to decrease 2.4 percent as the tax on dividends increases. Well, what is apparent here? What is apparent is that less investment means less economic activity, which means fewer jobs, and it is really that straightforward. It is really that simple.

The President and the Senate Democrats apparently disagree over just how much to increase our taxes on dividend income. It is one of the few areas where their plans are not in lockstep, but both plans increase the dividend tax rate nonetheless. While their rhetoric continues to lambaste the ultrawealthy, make no mistake, this tax increase will affect the vast majority of the middle class. When examining historical IRS data, it is revealed that 68 percent of all tax returns showing dividend income are from those Americans with incomes below $100,000.

While adding insult to injury, the President has proposed to increase taxes on the estate of deceased loved ones as well. My friends on the other side of the aisle not only pick up the President's proposal but they make it worse. Believe it or not, they want to tax even more estates at even higher rates than the President. It is astonishing, and unfortunately this reversal on the death tax will disproportionately impact agricultural States such as Nebraska.

In their opposition to the Democratic bill, the Nebraska Farm Bureau and the Nebraska Cattlemen state that allowing the estate tax exemption to fall to $1 million would subject the typical full-time farm or ranch to the increased estate tax rate of—get this—55 percent.

Madam President, I ask unanimous consent that the letters from these two groups be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NEBRASKA FARM
BUREAU FEDERATION,
Lincoln, NE, July 24, 2012.

Hon. MIKE JOHANNS,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR JOHANNS: On behalf of the over 56,000 members of the Nebraska Farm Bureau Federation, I am writing today to inform you that congressional action to extend

current tax law is urgently needed to provide stability to our nation's farmers and ranchers. Now is not the time to raise taxes on an industry that is struggling with high production costs and extreme weather uncertainties. Farm Bureau opposes S. 3412, the Middle Class Tax Cut Act because of the tax increase it will impose on our industry.

Estate taxes are especially troublesome for farmers and ranchers. S. 3412 fails to provide any estate tax relief which would allow a $1 million per person exemption and 55 percent top rate to be reinstated on January 1, 2013. A $1 million exemption is not high enough to protect a typical farm or ranch able to support a family from estate taxes and, when coupled with a top rate of 55 percent, will make it especially difficult for farm and ranch businesses to transition from one generation to the next.

Capital gains taxes also have a significant impact on farming and ranching, impeding new farmers wanting to enter agriculture and discouraging operations from upgrading and expanding. Extending lower rates for taxpayers making under $250,000 does not mitigate the damage since the sale of farm assets tends to produce a one-time income surge likely to push a farmer or rancher over the threshold.

Farm Bureau believes that estate taxes should be repealed and capital gains taxes permanently lowered. We support passage of S. 3423, the Tax Hike Prevention Act of 2012, to temporarily extend tax relief for all Americans and to put Congress on a path toward fundamental reform.

Thank you for your consideration of our position and the work you continue to do on behalf of Nebraska agriculture.

Sincerely,

STEPHEN D. NELSON,
President.

NEBRASKA CATTLEMEN,
Lincoln, NE, July 24, 2012.

Hon. Senator MIKE JOHANNS,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR JOHANNS: On behalf of the members of Nebraska Cattlemen, I write to you to encourage you to support the generational transfer of Nebraska farms and ranches. One of the highest priorities of the men and women who raise Nebraska beef is to ensure that their land, cattle and other business assets are passed on to their children as easily as possible.

It is our understanding that the Senate will be considering a tax bill tomorrow that ignores farmers and ranchers by proposing that the estate tax revert back to pre-2001 levels. These hurdles of a one million dollar exemption and a 55% tax rate will trip farmers and ranchers causing many to fall out of the race of producing quality food.

We encourage you to vote ''no'' on this detrimental piece of tax language and hold to your commitment to make the estate tax recognize the importance of family agriculture.

Sincerely,

MICHAEL KELSEY,
Executive Vice President.

Mr. JOHANNS. According to the Tax Policy Center, the Senate Democrats' estate tax plan would hit over 48,000 estates with a $40.5 billion tax bill compared to an extension of the current rates. While an extension of current estate tax rates is not perfect—I believe it should be repealed permanently—it is far better than putting over 48,000 families, a large percent of them farmers and ranchers on the death tax rolls. I have said over and over again that death should not be a taxable event. Families should not have to sell the family business and lay off their employees to pay Uncle Sam a 55-percent tax rate on the value of the estate.

All of these ill-advised tax policies taken together add up to bad news for our economy and our country, bad news for our workers, and bad news for every American. The National Federation of Independent Business estimates that the tax increases would result in a U.S. economy that is 1.3 percent smaller than it is today, and that is an outcome for which none of us should strive.

So what is the alternative? Just last week the senior Senator from Washington laid out the Democrats' plan if they don't get their way on raising taxes: Hold the economy hostage and go over the fiscal cliff; make sure everybody's taxes go up by the largest amount in the Nation's history; let the $110 billion sequester for this year strip our military of the resources it needs to keep us safe and impact domestic programs; let the alternative minimum tax wreak havoc on our middle class, with the exemption actually falling below the median household income.

In Nebraska alone, the nonpartisan Congressional Research Service estimates for 2012 there will be over 134,000 potential AMT tax returns compared to 16,000 in 2009. All told, this fiscal cliff will cost us between 3 percent and 5 percent of our entire gross domestic product, trillions of dollars in destroyed wealth, and a CBO-predicted economic recession. That is the plan, and it is astonishing to me that the Democrats would go to these lengths just to raise taxes on our country's economic engine.

My friends on the other side of the aisle will claim that taxes must be raised to address the mammoth deficit. Make no mistake, attacking our deficit should be job No. 1. However, on actual analysis we see that the Democrats' claim is nothing but a mirage. According to the nonpartisan Joint Committee on Taxation, the difference between the Democrats' plan to increase taxes and a simple extension of all the current tax rates is not even enough to cover 5 days of our government spending. It is only three-tenths of 1 percent of our crushing $16 trillion national debt. This simply is not about our national debt or about deficits; it is about an ideological statement and nothing more.

After today's failed vote on these tax increases, it is my hope that we can get together and practice some common sense. Common sense would tell me, let's not raise taxes in a struggling economy. That used to be the President's position before he was up for reelection. Let's not punish our job creators and small business owners, let's not punish our senior citizens and other savers who rely on dividend income, and let's not hinder passing down family farms and ranches from one generation to the next. Let's extend the current rates for as long as it takes to get to work on comprehensive tax reform and actually solve the problems of our Tax Code. Let's get serious and start working on the business that Americans sent us here to do. A massive tax increase will drive our economy to its knees and bring about another recession. We can't afford that.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. HELLER. Madam President, I ask unanimous consent that the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELLER. Madam President, Reagan once joked that if anyone wants to understand Washington, DC, just look at how they designed the roads—it is full of circles. We don't have too many roundabouts in Nevada, but in Washington, DC, it seems to be part of the culture. Unfortunately, today Washington is going around in circles again. This time it is about whether Congress should raise taxes on small businesses at a time when our economy is struggling to grow.

The sad reality is that we all live in a country with a temporary tax code. Right now there is no certainty for an entrepreneur to start a new endeavor. There is no certainty for a small business that wants to hire a new employee. There is no certainty for businesses to invest in new equipment or in new buildings.

What makes the situation worse is that the American public is now hearing from the majority party that they are willing to take our country off the fiscal cliff, regardless of the economic damage it may cause, by raising taxes, resulting in a smaller economy, fewer jobs, less investment, and lower wages.

President Obama said in 2009:

> You don't raise taxes in a recession . . . because that would just suck up, take more demand out of the economy and put businesses in a further hole.

I agreed with that statement in 2009, and I agree with that statement today.

Let me give my colleagues another quote from President Obama after he supported extending all of the tax rates for 2 years in 2010:

> The bipartisan framework we have forged on taxes . . . will provide businesses with incentives to invest, grow, and hire.

I supported this bipartisan framework as a Member of the House of Representatives. Yet, today, in a complete 180-degree turn, raising taxes and going over the fiscal cliff seems to be the new economic agenda.

The plan the majority party and the President are offering will cost Nevadans more than 6,000 jobs and will shrink the State's economy by $1.7 billion. Let me repeat that. The plan of

the majority party and this President will cost Nevadans 6,000 jobs and shrink the economy $1.7 billion. Nationwide, this plan will hurt more than 700,000 jobs. Is this really the economic strategy Washington should be embracing? My home State of Nevada leads the Nation in unemployment at 11.6 percent. We cannot afford to lose another 6,000 jobs.

Divisive, partisan politics does a great disservice to every American who is either out of work or has taken a pay cut. Those who stay up late at night are wondering how they are going to make their mortgage payments, put food on their tables, or clothe their children. While people across our country are struggling to get by, the Senate majority is pushing legislation that will actually hurt job creation.

Congress should do everything within its power to encourage economic growth, and that begins with providing America with tax certainty. It is true that our current Tax Code is too costly, too complex, and too burdensome. There is no question that the Tax Code is unfair and needs an overhaul. But the best this President and the Senate majority can do is push a tax hike designed for nothing more than perceived campaign sound bites.

Instead of election-year campaign gimmicks, let's have an honest discussion on fundamental tax reform. Last summer I reached out to President Obama to offer to work with him to fundamentally reform the Tax Code in a way that would broaden the tax base by eliminating and closing loopholes and reducing the marginal tax rates both on individuals and businesses. This was an issue I worked on in the House as a member of the Ways and Means Committee and I continue to advocate here in the Senate. Yet here we are today, and instead of debating fundamental tax reform we are taking another show vote on a tax proposal that would raise taxes on small businesses and cost jobs. Again, it will cost Nevada 6,000 jobs.

The Senate was created by our Founding Fathers to be the deliberative body. Yet once again we find ourselves in a situation in which we will be unable to have an open debate on an issue that will affect every single American taxpayer.

The Senate should be debating all tax proposals on a bipartisan basis and working to find consensus on areas to increase American competitiveness. Yet instead of providing our Nation's job creators with clarity and economic certainty, some of my colleagues would rather engage in messaging for a perceived political gain. Raising taxes will do nothing to create jobs in Nevada or this Nation.

As the fiscal cliff draws nearer and nearer, the job growth remains stagnant. Congress should focus on long-term economic solutions that provide businesses the certainty they need to create jobs.

Thank you, Mr. President. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BENNET). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The Republican leader is recognized.

THE ECONOMY

Mr. MCCONNELL. Mr. President, for nearly 4 years now, Democratic leaders in Washington have claimed to want what is best for the economy but done just about everything you can think of from a policy perspective to actually undermine the economy.

Whether it is overwhelming businesses with redtape, burdening them with costly new health care laws or punting on major economic decisions until after the election, Democrats have done everything you would expect of a party more focused on centralizing power in Washington than reviving a weak economy.

And, of course, we have the results to show for it. As a result of the Democrats' policies, we have fewer jobs today than the day the President took office, more signed up for disability assistance last month than got jobs—more people signed up for disability assistance last month than got jobs—and the percentage of Americans who actually can work but are not is at the lowest point literally in decades.

This is the sad legacy of this President's economic policies. And later today we will have a chance to cast a vote for more of the same or for a plan that will help us get off of this hamster wheel we have been on for the past 3½ years.

I am referring, of course, to the very different proposals we will vote on today for dealing with a looming tax hike coming in January: the Republican plan, which gives every American not only the certainty that their income taxes will not go up at the end of the year but that Congress will deliver meaningful tax reform within a year, and the Senate Democratic plan which raises taxes on a million small business owners at a moment when we are counting on them to create jobs, raises taxes on thousands of family farmers and small business owners grieving the loss of a loved one, leaves a middle-class tax hike in place, and reforms absolutely nothing.

We would also like to vote on the President's plan, though it appears our Democratic friends will deny the President his vote.

I will leave it to others to explain the finer points of these plans. But one thing stands out. As I have indicated, the thing that stands out is the Democratic proposal to raise the death tax. This is one of their bright ideas to revive the economy: to raise the death tax. It dramatically lowers the exemption level, so more families actually get hit by it, and dramatically increases the amount of the tax itself. Under their plan, family members who inherit a farm or a ranch would have to write a check for 55 percent—55 percent—of the value of the property and equipment above $1 million, all but guaranteeing that tens of thousands of small and mid-size family businesses across the country will be broken up and handed over to the government instead of passed on to the next generation.

Look, I know some Democrats will try to justify their vote on this stunningly bad proposal by saying they will deal with the assault on family farms later. Wrong. The Democratic bill we will vote on today, by not addressing the problem, makes the tax liability for these families even worse. A vote for the Democratic plan is to vote to put these farms and ranches literally out of business. There will be no stand-alone bill signed into law on the death tax, and anyone who says otherwise is not being straight with the American people.

But there is one big difference between our plan and theirs. The most important difference is this: Only ours is aimed at helping the economy; only ours is aimed at helping the economy; only ours is meant to help struggling Americans in the midst of a historic jobs crisis. Theirs is meant to deflect attention from their continued failure to reverse this economic situation.

Throughout this entire debate, not a single Democrat has come forward to claim that raising taxes on job creators will help the economy. Nobody is claiming that because they cannot. The real motives are based on an ideological agenda, not an economic one.

Ordinarily, Republicans would do everything we can to keep a plan as damaging as the Democrats' plan from passing, and the only reason we will not block it today is we know it does not pass constitutional muster and will not become law because it did not originate in the House. If the Democrats were serious, they would proceed to a House-originated revenue bill, as the Constitution requires.

That said, the potential consequences of inaction on this issue are so grave that the American people deserve to know where their elected representatives really stand—truly stand—on this issue.

That is why I am announcing this morning Republicans will allow a simple majority vote—a simple majority vote—on the two proposals I have described, and that is why we are also calling for a simple majority vote on the President's plan. He is the leader of the Democratic Party. He has been calling for a vote on his plan. I for one think we ought to give the President what he is asking for: a vote on his plan.

So what I am saying here this morning is, we will have a simple majority

vote on the Senate Democratic plan, on the Republican plan, to make sure no one's income taxes go up at the end of the year, and I would also recommend we have a simple majority vote on the President's plan.

The only way to force people to take a stand is to make sure today's votes truly count. By setting these votes at a 50-vote threshold, nobody on the other side can hide behind a procedural vote while leaving their views on the actual bill itself a mystery—a simple mystery—to the people who sent them here. That is what today's votes are all about: about showing the people who sent us here where we stand.

We owe it to the American people to let them know whether we actually think it is a good idea to double down on the failed economic policies of the past few years or whether we support a new approach, whether we think it is a good idea to raise taxes on nearly a million business owners at a moment when millions of Americans are struggling to find work or to do no harm and commit to future reform.

Three votes, two visions. Three votes, two visions. The American people should know where we stand, and today they will.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BEGICH). The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I suppose Senator MCCONNELL, the leader, has given a preface as to what I want to say. I think the American people should know where we stand on these important questions. That is why I come to the floor, to indicate that I will vote in favor of proceeding to debate on S. 3412, Senator REID's proposal to amend the Internal Revenue Code of 1986. But if the matter does come to a full discussion and debate on the floor, as I hope it will, I will not vote for it in its current form, and I want to explain why.

I feel strongly that the first thing the American people want us to do is get the economy going again so that the economy is creating jobs. I am convinced the best thing Congress can do to restore economic growth and job creation is to enact a comprehensive, bipartisan plan to balance our budget along the lines of the Bowles-Simpson Commission recommendations.

Unfortunately, S. 3412, which is the so-called middle-class tax cut—which would extend the existing reduced tax rates on couples making less than $250,000, but would raise taxes on others making more than that—does not represent such a plan. In other words, it is not a bipartisan plan to balance our budget in a way that will create job growth.

Its enactment at this time, in my opinion, would only serve to preclude debate and action on exactly the broader type of reforms we need to fix our broken Federal Government fiscal system. Just imposing across-the-board tax increases for individuals and small businesses that make over $250,000 a year is neither tax reform nor the balanced deficit reduction agreement our country needs right now.

I do not hesitate, and I will not hesitate, as part of this kind of balanced, bipartisan debt reduction—hopefully, debt elimination—plan to vote to increase the amount of taxes that the wealthiest Americans are paying. But I will not do that as part of a scattershot approach. It has to be part of a program that reduces spending, that reforms spending on our entitlement programs—which are the fastest growing element of our Federal budget—and that reforms our tax system. The bill before us is not such a plan.

I have said over and over that there is plenty of time this year to get a bipartisan, balanced budget program passed in Congress, and that I would vote against both the President's partial repeal of the so-called Bush tax cuts and the Republican plan to extend all the cuts for another year. I think we can do better this year, and I think we must do better. I know that is exactly what our constituents want us to do.

We can cut spending, adopt tax reform, and entitlement reform. While that hope is alive, I am going to vote against both partial measures and proposals to put off the tough decisions about our economic future that our constituents elected us to make. I think both the Democratic plan, which is the subject before us right now in this motion to proceed, and Senator HATCH's plan do not make it. They are partial, and they basically kick the can down the road again without solving our economic problems. Giving the private sector the confidence about our future to invest the trillions of dollars in cash they are sitting on now—which is the only thing that will get our economy growing and creating more jobs; and the private sector businesses will not do that today because they do not know where this government of ours is going—they do not have a sense of certainty and confidence.

So as I said, if for some reason the process that the Senate is facing today changes, and both the Democratic plan to raise taxes on people over $250,000 comes up for a vote and Senator HATCH's Tax Hike Prevention Act, which extends all the tax cuts for another year, comes up, I will vote against both of them because I do not think they do what our country needs to be done.

There is plenty of time, as I said, left this year to do what we have to do.

Why am I going to vote to proceed to debate on either or both of these if I am opposed to each of them as they are drafted? It is because I think there is nothing more important we could do in this Congress than to begin to confront and debate the challenge of our time, which is to get our Federal Government back in balance, to make the tough decisions that will do that, and thereby get our economy going and creating jobs again.

Debate, yes. Let's not hide from debate. Let's confront it and deal with it as quickly as we can. But these two proposals, in my opinion, do not do what our economy needs to be done.

I will say a final word about the deep hole we are in and about the idea of raising taxes on everybody making more than $250,000, but raising no taxes on people making less than $250,000. The truth is we are in a deep hole in this country. We are heading toward what has now begun to be popularly called the fiscal cliff. The challenge to our government is whether we are going to have the courage, the honesty, the leadership qualities to come together across party lines and protect our economy and our country before we begin to go over the fiscal cliff.

I know that requires us to make difficult decisions. Maybe it is easier for me to say because I am not running for reelection this year, but I honestly believe what the American people would most like us to do is to do what we think is right, to do something that does not seem like conventional politics, to have the guts to enact tax reform, entitlement reform, and cut spending. That is really what they want us to do because that is what they know the country needs us to do.

Let me come back to this $250,000. I know it is politically appealing, but the truth is to balance our budget again we are going to have to ask most every American to give a little something so our country will grow and everybody will benefit. Sure, the people who are making the most should pay more in revenue, but I think we are at a point where we cannot simply say to what we generally describe as the middle class that they do not have to give anything else. I think that would be wrong. That is not consistent with the revenue system we have now, which is a progressive and fair system. I want to build on that, reform it in some ways to make it more constructive and make it more likely to incentivize growth in our economy. But let's not take anything off the table. Our economy, as precarious as it is, as it faces very uncertain effects from economic troubles in Europe and even in China now, I think we have to be very careful about raising anybody's taxes in the short run; that is, next year.

What we need is a long-term balanced debt reduction program for America. So that is why I will vote to proceed to vote for debate on these subjects we desperately need, but neither the Democratic or Republican approaches do what this country needs. Therefore, if they come to the floor and we have a debate, I will try to amend them with something like the Bowles-Simpson recommendations. If that fails, I will vote against them because we can do better than that, and the American people have a right to expect that we will.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COONS. 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. COONS. Mr. President, I rise to speak to the issue on the floor before the Senate, the vote we will take later today on two competing plans for our path forward. As the Presiding Officer and I and all of the Members of this Chamber know, our national debt and our deficit are enormous. They are unsustainable. Last week an array of our colleagues on the other side of the aisle came to the Senate floor one after the other to make exactly that point.

Members of both parties agree excessive debt hurts our competitiveness, that it causes interest rates to rise, and it crowds out critical investments in our country's future. My own experience in the private sector and 6 years of tough budget balancing as a county executive in my home State of Delaware taught me how important it is to have responsible budget processes in place to manage our way through difficult financial times, to create opportunity for our communities while still reducing our deficits and debt.

There is no question that high debt levels lead to lower growth in the long run, and it can restrain or starve or strangle the dreams of our communities, our children, for our future. Our deficit and debt is a ticking time bomb, and everyone—Republicans and Democrats, Independents, economists, experts, working families, small business owners, the American people—knows that we want to and have to deal with it. But the key, in my view, is to deal with this problem responsibly and fairly and in a way that reflects America's best.

Our debt is neither a Republican nor a Democratic problem but a shared and structural problem. It took both parties to get us into this mess, and it will take both parties working together to dig us out. Each Member of this body must take responsibility and look at what is best for the next generation not just for winning the next election.

For my part, I am going to continue to fight for balanced and responsible deficit reduction. If the American people can share in the sacrifice in our cities and counties and States all over this country, as they are already doing in my home State of Delaware, then Republicans and Democrats have to show that we too can come together and find a way to compromise.

It is time we recognize a sobering realty: If we are going to plug the hole in national balance sheets, if we are going to avoid the fate of Europe—and it is a big hole in the bottom of America's balance sheet—while still continuing to invest in our future and in the strength and promise and opportunity of our communities, we have to find a more responsible, more fair balance between spending cuts and revenue increases.

We simply cannot achieve the level of savings we need through spending cuts alone. Drastic cuts, dramatic cuts, across-the-board cuts violate our very values and will drive down the possibility of recovery and growth in the future. Spending cuts must be a central part of the solution to our budget problem. But the fact is revenue must also play a meaningful role. We need balance. That is the only way to provide the economic certainty necessary to sustain a recovery and, in my view, the only way to sustain investments that are critical for our future.

Let's be clear about some rhetoric we have heard both out in the country and in this Chamber. The United States does not begrudge success. We, as Democrats, in this Chamber do not resent those who have achieved, who have succeeded. In fact, that is the engine that for generations has drawn people from around the world to this country and has pulled people forward: the hopes and dreams of those who see reason to the work in this country because of the promise of opportunity, the very real history of entrepreneurship, of risk taking, and the very great rewards this country provides those who succeed beyond their wildest dreams through hard work, through innovation, through creativity.

No, we do not resent or reject wealth and success in this Chamber or in this country. In fact, we admire it and want to create the groundwork for a whole new generation of Americans to achieve the successes of the last generation. If we are going to do right by the next generation of Bill Gateses or Warren Buffetts, that requires us to find solutions that make our tax system fairer and to prevent burdening the next generation of Americans with a crushing national debt.

President Lyndon Johnson once said:

> It is not just enough to open the gates of opportunity, all of our citizens have to have the ability to walk through those gates.

The ability of future Americans to walk through those gates, I believe, requires sustainable investments in our future, in our schools and teachers so our children can compete in the global economy and we can keep improving public education and infrastructure; so our businesses can move their products and ideas as fast as our competitors can on our roads and rails and broadband, in research and development; so America can continue to be a world leader in innovation and scientific breakthroughs.

We all know health care costs are among the greatest drivers of our mounting national deficits and debt. We have two paths forward: One, where we cut and constrain and reduce spending, and another where we invest in basic science and research, where we innovate and where we cure our way out of these challenges. I think this latter way of investing in our schools, our infrastructure, our innovation, and in finding path-breaking cures is more true to the American spirit.

Cuts to essential services and programs are already deep. Although this is not broadly known throughout the country, sacrifices have already been made here, and pennies are already being pinched from programs that, in my view, serve the people who can least afford them.

In my home State of Delaware, due to choices we have made here, we have already seen cuts to critical programs such as heating assistance to low-income families and programs such as the community development block grants. Home programs were cut roughly 30 percent in last year's budget, programs that for so long have supported affordable housing for the disabled, for seniors, and for low-income families.

We must continue to make cuts across the board to move our way toward a sustainable Federal deficit. But cuts alone cannot responsibly make our path forward, and we have seen proposals in the other Chamber that would decimate vital safety net programs such as Medicare and Medicaid, shifting the burden of deficit reduction to our most vulnerable citizens. We need to bring balance back to how we solve these problems. We need to do it in a way that puts a circle of protection around those who are most vulnerable in our society.

In previous generations that served in this Chamber, when they came together and reached the resolutions that solved our country's fiscal problems, in 1983, for example, they put a circle of protection around the most vulnerable Americans. They chose not to slash or cut or eliminate those programs that were focused on the most vulnerable in our society: the disabled, low-income seniors, and children in the earliest stages of life.

I think it is important that we remember those values as we look at the choices we make today and as we come together in the months leading up to the election—and, hopefully, after the election—to craft a solution to our structural problem.

Today on the floor the Senate is considering the other piece of the equation from cuts, revenue. We have a stark choice between us today. We have two plans: a Reid plan and a Hatch plan. We have a Democratic proposal and a Republican proposal. Let me put this in some context that I think has been missing in some of the speeches I have heard on the floor earlier today.

In both cases these are plans that make choices about which of our existing tax cuts, which of the existing tax expenditures we will allow to expire and which we will extend. There is a lot of talk about the coming taxmageddon, about the greatest one-time tax increase in American history. But let's be clear. What we are talking about is tax cuts that were enacted in

2001 and 2003 and other tax cuts that were enacted in 2009, 2010, and whether they should be extended or whether these temporary tax cuts should be allowed to be that and expire.

We have two starkly different plans. In one, the Republican plan, they extend all of the Bush tax cuts, even for the highest income earners, even on the marginal rates of the highest income earners. The Democratic plan extends and does not allow to expire critical tax cuts: the earned-income tax credit, the tuition tax credit, and the child tax credit that 25 million Americans—the working poor, working families with children—rely on to get through this difficult recession.

The Republican plan allows all three of those to expire, and thus, to use their language, raises taxes on 25 million of the working poor. It should be an obscenity for there to be people who are working full time and get poor in this country. This is a country, as I said before, of opportunity; the place to which millions have come over generations from around the world seeking the opportunity of this country.

Yet, today, and especially in this economy, ''working poor'' has real meaning, as the rate of poverty has risen to alarming levels, where one in six is poor today, which is the highest since the 1960s. The economic inequality and lack of opportunity and justice for those who are the poorest is at an alarming rate.

We also have, as I said before, a structural challenge before us, a deficit and debt that we must deal with. So the Democratic plan that is on the floor today, which we will vote on today—on whether this body wants to proceed to take a deciding vote on it—would allow the marginal tax rate above $200,000 for individuals, $250,000 for couples, to return to the Clinton era.

Let's be clear because I think this is often lost. Under the Democratic tax plan, we would continue tax breaks for all Americans who earn income and for all small businesses that are revenue-earning but just on the first $200,000 of individual income or $250,000 of couple income. So even the millionaires and billionaires would continue to get some of the benefit of the tax breaks first enacted in 2001 and 2003. What would be raised is the tax rate on income above $250,000 per couple. So everybody continues to get some tax advantage, but the excessive—the highest reductions in tax burden on the very wealthiest Americans we would allow to expire.

What would the impact be on our deficit and debt? It would be $850 billion over 10 years, which, with the interest savings, is nearly $1 trillion in deficit and debt reduction. These are significant savings. If we ask the wealthiest 2 percent of Americans to take on that burden, to go back to the interest rates on marginal income that they lived through in the Clinton era, what might that do? It will significantly reduce the deficit and debt and make it possible for us to sustain the earned-income tax credit, the tuition tax credit, and the child tax credit, and, frankly, it will reflect our values.

This recession has brought an alarming rise in the rate of poverty. I believe our faith traditions—and we come from a very broad range of faith traditions—speak to us and challenge us to show our values. As the Vice President, who held the seat in Delaware before me, has so often said, his father once said to him: Show me your budget, and I will show you your values.

Psalm 72 teaches us that to defend the cause of the poor and to give deliverance to the needy is one of our highest callings. It is repeated throughout the books of the Torah and the New Testament—in many faith traditions all across this country. To reject this deliverance to the needy, to reject the circle of protection for the neediest in our society and instead say that we will extend ad infinitum the tax breaks for the wealthiest Americans defies American values and our greatest tradition of creating and sustaining opportunity while protecting the most vulnerable among us.

I think our belief in the American dream and our commitment to basic fairness and responsible problem-solving calls us forward to vote for the Reid plan.

This bill is not a substitute for the comprehensive tax reform our Nation truly needs. We need tax reform that simplifies the Tax Code and closes many unsustainable and costly loopholes while lowering rates and broadening the base. In the current political environment, I believe this bill, to which I hope this body will turn, is the best chance we have at retaining these important tax credits and opportunities for the working poor while bringing some sanity to the rates at the highest end and asking those who benefited the most to contribute to solving our problems.

Last week I got a letter from Judith in Talleyville, Delaware, who wrote my office saying this:

> Millionaires and billionaires must be asked to pay their fair share toward economic recovery.

Judith puts her finger on the crux of the issue. If we are going to address our deficit crisis and resolve the hole at the bottom of America's balance sheet in a way that reflects our core values, I believe we must move to and consider and pass the Reid plan in this Senate this day.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, today we are debating the proposal of the Senate Democratic leadership to raise taxes on the American people. Pursuit of this tax hike strategy is clearly being instigated by the President's reelection efforts. I suspect that many of my friends on the other side are very uncomfortable with this strategy. I can think of a number of Senate Democrats whose constituents would be surprised to learn their Senator supports tax increases on small businesses, an increase in the alternative minimum tax, and hikes in the death tax.

With the economy still on the ropes, I think they would be surprised to learn their Senators supported a tax hike strategy that might win some votes but at the risk of sparking a recession. That is what the President wants. We will see if that is what he gets. He has pitched his tax hike plan as a way to be fiscally responsible. That could not be further from the truth. One need only look at the treatment of the House budget by my friends on the other side. That budget received more votes than any other budget considered by the Senate, including the phantom budget advanced by the Senate Democratic caucus. The House budget provided $180 billion more in deficit reduction than the President's budget for 2013. The House budget's extra deficit reduction of $180 billion exceeds the differences in deficit impact between the proposal I introduced with my friend and colleague, the Republican leader, and the proposal advanced by my Democratic friends. That is true even if you apply the other side's distorted and misleading accounting of the differences between the two proposals. More on that in a moment.

When we hear our friends on the other side say they must risk going off the fiscal cliff for deficit reduction, consider this: They rejected out-of-hand spending restraints that provided more deficit reduction than is at stake here today.

Not only are the deficit reduction numbers phony, but the President and his Democratic allies in the Senate have repeatedly suggested that they are willing to intentionally drive our economy off what Fed Chairman Ben Bernanke has called the fiscal cliff in order to make a political argument about the top marginal tax rates.

The President thinks he has struck political gold with this argument. He will be able to run for reelection on a platform of raising taxes under the mantle of deficit reduction. Now, this might be politically advantageous, but I doubt it.

I do know that from a fiscal and economic perspective, the President's signature proposal threatens serious damage to our already fragile economy. The President's tax increases on those he deems ''the rich'' in fact represent a massive tax hike on the small businesses that are necessary for economic and job growth. Moreover, until he gets his way on raising taxes on these small businesses, he is threatening every single American taxpayer with a tax hike. Like a petulant child, he is insisting that it is his way or the highway. We have had far too much of that. He will get his way on raising taxes on the small businessmen and entrepreneurs—who find no shelter in today's Democratic coalition of unions, lawyers, and government employees—or he will let

the current tax relief expire, raising taxes on all Americans. This is the antithesis of statesmanship at a time when our economy requires serious direction. It is the political equivalent of a temper tantrum. I expect that American voters will have about as much patience for this as they would a similar fit from their children. The American people want a grownup in the White House, but on tax policy we appear to be dealing with adolescence.

I have said before that the President's proposal is the policy equivalent of Thelma and Louise intentionally driving their convertible off a cliff. The difference is that there is at least some ambiguity left about the fate of Thelma and Louise. If the President gets his way and either raises taxes on small businesses or denies relief to all American taxpayers, there will be no ambiguity about whom to hold responsible when our economy crashes.

When a liberal Democratic President has lost the New York Times, he has lost America. Even the Times understands what is coming if the President continues to put the pedal to the floor and drive us over the fiscal cliff. The Times wrote that ''with the economy having slowed in recent weeks, business leaders and policy makers are growing concerned that the tax increases and government spending cuts set to take effect at year's end have already begun to cause companies to hold back on hiring and investments.''

That is 100 percent right. The election is not for another 3 months, and already the President's lack of direction and the threats emanating from Democratic leadership about letting the tax relief expire are leading businesses to slow down. How can businesses plan for next year and how can they make hiring or investment decisions when they have no idea what their tax rates are going to be? They simply can't. And the President and Senate Democratic leadership, with their delay and confusion about how to extend this tax relief, are doing absolutely nothing to inspire confidence in these job creators.

Rather than address the expiration of the 2001 and 2003 bipartisan tax relief, we have been debating campaign commercials masquerading as serious legislation. Last week the Senate wasted its time on yet another piece of legislation that had absolutely no chance of becoming law and zero prospects for creating jobs. It is worth comparing the puny impact of the bill considered last week to the size of the coming tax hikes—tax hikes so large that the Washington Post has referred to their impending arrival as ''taxmageddon.''

Referring to this chart, look at the impact of the 20-percent credit versus taxmageddon over the next 10 years. The Bring Jobs Home Act would only cost about $87 billion. Taxmageddon is going to cost us $4.538 trillion.

Make no mistake, our small businesses and our economy face an existential threat at the end of 2012. Yet the majority leader schedules votes that generate campaign fodder rather than jobs or lasting economic growth.

Facing a fragile recovery and a weak jobs market, President Obama seems content to sit idly by and allow the scheduled $4.5 trillion tax hike to occur just to make a populist political argument about the need for the so-called rich to pay what he thinks is their fair share. Congress needs to act now in order to prevent this tax hike on America's families, individuals, and job creators.

Look at this chart again—the difference between the Bring Jobs Home Act and taxmageddon. It is clear that they are driving us off the cliff, and they are willing to do it for political reasons.

It is critically important for our economy and the American people that we act now to extend the bipartisan tax relief originally signed into law by President Bush and extended by President Obama back in 2010.

As you can see on the chart, the tax legislation to-do list, nothing was done on tax extenders, although we are willing to work on that with our committee chairman in the Finance Committee; nothing was done on the AMT patch, but we are willing to work on that in the overall scope of things; and nothing was done on death tax reform. In fact, the suggestion by the Democrats is to increase it so that all the small farms—or many of them—will get hammered with taxes, along with a lot of small businesses. Nothing was done to prevent the 2013 tax hikes. No, no, no, no on everything.

This is the most crucial piece of legislation Congress can address this year. If we allow this tax relief to expire as scheduled, almost every Federal income taxpayer in America will see an increase in their rates. Yet that is what our friends on the other side said they are going to do if they don't get their way—like petulant children. Some will see a rate increase of 9 percent. Others will see a rate increase of as much as 87 percent.

Because the vast majority of small businesses are flowthrough business entities, any increase in tax rates for individuals necessarily means that those small businesses will get hit with a tax increase. This tax increase lands on these small business owners even if they do not take one penny out of their business. That is what the Democrats are going to do to them. They are willing to go off the cliff and do this. Our economy simply cannot afford to take on such a fiscal shock.

It was just in 2010 when the President said the economy was so fragile we needed to carry over the 2001 and 2003 tax cuts.

We are in worse shape today than we were in 2010, but unfortunately—or fortunately—we are in an election year. Unfortunately, the President is playing games with these very serious matters.

Our economy simply cannot afford to take on such a fiscal shock. Economists estimate if these current tax rates are allowed to expire, the economy could contract by approximately 3 percentage points. Considering the first quarter GDP growth was 1.9 percent and that expectations are even lower for the second quarter growth—that will be reported this Friday—going over the fiscal cliff would almost certainly throw us into a recession.

I don't know many economists who would disagree with that. Certainly the Fed doesn't disagree. We are going to go into a recession if the Democrats get their way. We could even slip into recession in the second half of this year, given reluctance of businesses to hire and invest due to fiscal uncertainty.

For the President and others who argue we should raise the top two tax rates in the name of fiscal responsibility, I would just like to point out a few things. The Senate majority leader introduced his tax bill—one that largely mirrors the President's proposal—under the auspices of deficit reduction. It closely adheres to the Democratic talking point that the only thing standing between our deficits and fiscal stability is the current top marginal tax rates. We have heard this argument for a year and a half, with the President and his Democratic allies insisting it is not their out-of-control spending that got us into this mess but the Republicans' refusal to allow for tax hikes on the so-called rich.

That is laughable. This argument sounds nice, but it is belied by the actual facts. According to the Joint Committee on Taxation, an apples-to-apples comparison of the Democrats' tax proposal and the proposal I introduced with my friend the Republican leader shows a difference of $54.5 billion. The Democrats' bill—which raises the top rates and expands the death tax, while patching the AMT for 1 year—is scored at $249.7 billion, and the score of my bill—without the 2013 AMT patch—is $304.2 billion.

So we have a debt that is fast approaching $16 trillion. Taxes are set to go up by $4.5 trillion, and Senate Democrats are crowing about their fiscal responsibility, threatening to drive the economy off the cliff, over $54.5 billion worth of tax relief? I believe this is called missing the forest for the trees. In order to satisfy their urge to redistribute $54 billion of taxpayer dollars, they are willing to risk a recession and see taxes go up by $4.5 trillion.

The President recently claimed we need to raise the top two tax rates because ''it's a major driver of our deficits.'' The numbers show this is plain and simple nonsense. The real difference between the Democratic and Republican plans is only $54.5 billion—or about 5 percent of the deficit. That represents .34 percent of our national debt. To put it another way: The Democrats' tax hike proposal would only provide enough additional revenue to pay for 5 days of Federal Government spending—5 days of Federal Government spending.

It is also worth noting what exactly the Democrats' refusal to provide 2 years of AMT relief means for their constituents. If Senate Democrats do not patch the AMT in 2013, their AMT will take away over 40 percent of the tax relief they claim to be providing with their bill. This is their prerogative, but I hope the hometown papers in northern Virginia, New Jersey, New York, Florida, and Colorado are paying attention. I hope they are paying close attention to what a lack of AMT relief will mean for middle-income families in those States.

These tax proposals, in the end, have nothing to do with sound tax policy that maximizes economic growth, and they have nothing to do with deficit reduction. They have everything to do with pursuing an antique economic philosophy that is principally concerned with running down the economy's job creators and entrepreneurs.

The explicit tax policy is only the half of it. We learned yesterday from the Congressional Budget Office the true tax bill for ObamaCare is over $1 trillion. We were promised there wouldn't be any tax increases. It is the biggest fiasco I have seen around here in almost the whole time I have been here. In fact, I can't think of anything bigger.

All the new ObamaCare regulations will cost McDonald's franchisees alone more than $400 million in health care costs. The President might think Ray Kroc did not build McDonald's, but this is delusional. He might view the small businessman who took a chance and opened those franchises as not especially smart, not responsible for his own success, but this is a view that could only be embraced by an academic and activist who has no experience in the private sector.

The Joint Committee on Taxation tells us that 53 percent of all flowthrough business income in the United States would be subject to the President's proposed tax hikes. Take that, small business. The President is saying: We don't care about you, I guess. I do, and Republicans certainly do.

The President's proposal would take the marginal tax rate on small businesses from 33 percent and 35 percent to 39.6 percent and 41 percent, respectively. Look at this chart. This is the increase to small business—the top marginal rates. As we can see, it goes up from 33, 35 to 40 and 41 percent. How could that not help but ruin our economy? This is the kind of economic thinking we are putting up with around here, and it is all coming from the White House. Our friends on the other side apparently don't want to take the White House on. It is an increase of 17 to 24 percent on the marginal tax rates for small businesses.

Ernst & Young recently released a study showing these proposed tax hikes—on top of ObamaCare's 3.8 percent tax increase—on dividends, interest and capital gains would reduce our economic output by 1.3 percent. The Ernst & Young study also found that real aftertax wages would fall by 1.8 percent as a result of President Obama's policies.

Not surprisingly, the study noted 54 percent of the entire private sector workforce is employed by flowthrough businesses, such as S corporations and partnerships, the majority of which would see their taxes go up under the President's plan.

That is where the jobs are. What kind of thinking are they willing to accept on the other side of the aisle? It is hard for me to believe. There isn't a person over there I don't care for. It is hard for me to believe they are not willing to stand up to this President and say: Hey, the game is over.

The truth is many of the people targeted by Democrats as wealthy are, in fact, middle-income, small business owners who spent their whole lives building up a business, then selling it and falling into the top bracket just for the year of the sale.

Consider a real-life example provided by the Associated Builders and Contractors. A husband and wife from Pennsylvania who retired to Florida owned an S corporation. In 2009, the couple paid no Federal income tax because they did not have enough taxable income to owe any tax. In 2010, when they sold their business, their adjusted gross income was about $780,000, and they paid $170,000 in taxes. If they had not sold their business in 2010, they would have paid no taxes. So the one-time sale of the business, built up over many years, caused these small business owners to be in one of the two top brackets for just 1 year, after years of building their business and then having to sell it and have this catastrophe fall on them.

Yet the President would have the American people believe this couple is part of some rich elite who are refusing to pay their fair share. That is not all or, as Ron Popiel would say: But wait, there is more.

Last week, before the ink was even dry on the Democratic leader's small business tax hike legislation, the bill was changed to substantially increase—get this—the death tax. Why was that? Because they found there was only $28 billion difference between the Democratic bill and our bill, and they wanted to find a way to get it up to $50 billion, which is, as I said, 5 days of spending around here.

It might be hard to believe, but this proposal is even worse than President Obama's. The proposal by the Democratic leader would impose the death tax on 15 times the number of estates than under current tax policy, according to the Joint Committee on Taxation—the nonpartisan Joint Committee on Taxation. It would increase the number of estates hit by the death tax from 3,600 estates to 55,200. According to the Joint Committee on Taxation, 24 times more farming estates would be hit by the Democrats' death tax proposal.

What is going on over there? These are intelligent people—our friends on the other side. How can they possibly live with this?

According to the Joint Committee on Taxation, 24 times more farming estates would be hit by the Democrats' death tax proposal which they wrote in here. I have to believe they just did it so they could raise the difference between the two bills from $28 billion—3 days' spending by the Federal Government—to a little over $50 billion—5 days' spending. Let's call it 8 days' spending. The number of small businesses hit by this death tax spike would grow by 13 times.

What would that do to the incentives for people to build small businesses, small businesses that could become big businesses and employ thousands of people? This proposal would subject 2,400 percent more farms and 1,300 percent more small businesses to the death tax.

Farmers work all their lives hoping to leave their farm to their children. They will have to sell the farm to be able to pay the death taxes our friends on the other side have written into this bill. They can't be serious. But they are. I would like to be a fly on the wall when some Members of this body go home and attempt to defend their support for a proposal effectively designed to hobble small businesses and family farms.

The President might think it is no big deal. I am sure he has never been on a farm, other than since he has been President. I am not sure he has ever worked with a small business. He has been a community organizer. That is important, but that doesn't necessarily qualify someone for President. After all, according to the President, those farmers and businessmen were not responsible for their success anyway.

I am going to give the President the benefit of the doubt on that one. I think maybe he misspoke. But I sometimes believe, in the President's view, he thinks these folks aren't very smart; they owe it all to the bureaucrats stationed at the Departments of Agriculture and Labor and their helpful investment-creating regulations. We all know about those, don't we? The sweat and tears and sacrifice of the families and individuals who create and run small businesses have nothing on the hard work and commitment of the mid-level bureaucrats who make their success possible.

But my guess is that some Members of this body have a slightly more nuanced understanding of the importance of these farms and businesses to their communities, on both sides of the aisle. They have to.

There is a limit to what this President should ask of my Democratic friends, and he is asking way too much. They should stand up and say, We have had it. We are not going to do this.

It seems clear what the agenda of the Senate should be. We should be focused like hawks on preventing

Taxmageddon. We should be focused on job creation. Yet instead of addressing these important matters, President Obama and his Democratic allies are spinning their wheels trying to raise taxes on politically unpopular groups. Even the Democrats' treasured Keynesian economics says you do not raise taxes in a weak economy if you want to create more jobs.

The President is devoting his entire reelection campaign toward tax hiking in the name of fairness. We have voted twice on proposals to raise taxes on oil and gas companies for no other reason than that Democratic pollsters found the President's base does not like oil and gas companies. Then a few months ago, we voted on the silly Buffett rule. This was not serious tax policy. It was a statutory talking point—and not a very good one at that. Then there was last week's bill on overseas investment that was little more than a campaign advertisement with cosponsors.

The American people are tired of these political stunts. They are tired of the Senate doing nothing. They are tired of the Senate bringing up bills that aren't going to go anywhere. Every minute Democrats spend playing politics is a minute we fail to prevent the largest tax increase in American history. But instead of working to prevent this massive tax hike on small businesses, the President and the congressional Democratic leadership have doubled down on their tax hike strategy.

Believe it or not, while doubling down on their tax hike strategy, our friends on the other side are pushing the canard that the Hatch-McConnell proposal is a tax hike. Yesterday, one of our colleagues—who I won't name, though he named me—said the following:

> Republicans claim not to want to raise taxes, but the Republican tax bill would let very popular lower and middle-class provisions expire that would cost 25 million Americans an average of $1,000 each. Under the Republican bill, 12 million families would see an end to the—a smaller child tax credit. Six million families would lose their earned income tax credit and 11 million families would lose their American opportunity tax credit.

A little over 11 years ago, one-fourth of the Democratic caucus supported the bipartisan 2001 relief plan which is the foundation of the policy underlying the Hatch-McConnell bill. At that time, the Joint Committee on Taxation showed that the bill distributed an across-the-board tax cut which made the Tax Code more progressive. The 2003 bill was passed on a narrower bipartisan basis and extended on a broader bipartisan basis in 2004 and 2006—bipartisan. The Joint Committee on Taxation data showed that, against current law, the fiscal cliff my friends are threatening is, not surprisingly, basically the same as it was in 2001, 2003, and 2006.

In other words, the Hatch-McConnell proposal provides across-the-board tax relief benefiting virtually every income tax payer, yielding a tax system that is more progressive than we would face if we went over the fiscal cliff. Let me repeat that.

The Hatch-McConnell proposal provides across-the-board tax relief benefiting virtually every income tax payer, yielding a tax system that is more progressive than what we would face if we went over the fiscal cliff. The Joint Committee on Taxation analysis indicates a similar result today.

To be sure, if you count continuous stimulus checks issued by the government to folks who do not pay income tax as tax cuts, the Democrats' proposal does more of that than the Hatch-McConnell proposal. There is no question about that. But when is it going to end? Is the upper 49 percent going to have to continue to carry everything in this country?

Under Federal budget law, those continuous stimulus checks are counted in the main as spending. I would say to the colleague I referred to a moment ago that if the Democrats want to use that talking point—one at odds with conventional budget accounting—it is a free country. But if Democrats are going to make that strained and tortured charge, then they should also answer for the failure of their bill to patch the AMT for the year they claim to be delivering middle-income tax relief.

Their plan exposes 28 million middle-income families to a stealth tax increase of over $3,500 per family. So while they claim that our bill raises taxes by cutting stimulus spending, they are mum on the massive tax increase on 28 million American families implicated in their own bill. I think we might have a case here of folks in glass houses throwing stones.

Make no mistake, Taxmageddon is coming. The only good news is that Congress can prevent this historic tax increase from happening. As I mentioned, I have a bill I have introduced with Senator MCCONNELL—S. 3413, the Tax Hike Prevention Act of 2012—which will prevent this historic tax increase and will pave the way for tax reform in 2013. That is where my focus will be until Taxmageddon is averted. I hope my colleagues will join me in preventing this looming tax increase from being imposed on the American people.

Forty of my colleagues on the other side of the aisle voted to temporarily extend this tax relief in 2010, recognizing that we were in financial difficulty—we are in worse difficulty today—and they should do so again. At that time, President Obama said it would be foolish to raise taxes during an economic downturn, and he acted accordingly. I respect him for that. But he is not acting that way now. This is an election year.

Our economy remains weak today. In fact, it is weaker in terms of growth in GDP than it was at the end of 2010, and incoming data clearly point to even more slowing in the economy as uncertainty from the fiscal cliff has begun to strangle hiring and investment. My friends on the other side have got to wake up to these facts. The only thing that appears to have changed is that President Obama has apparently chosen the path of class warfare and is pursuing a politics-driven tax agenda.

I remember days in the past when my friends on the other side would rise up against even their own President when it came to good economics. I hope they will again, but it appears that it is not so today. My hope is my colleagues, who have supported this tax relief in the past, will put the President's shortsighted and self-interested partisanship aside and vote on behalf of their constituents in favor of S. 3413 to extend this tax relief to America's families and small businesses.

For the sake of the more than 12.7 million unemployed Americans, my hope is that we act to prevent the President's campaign drive to malign small businesses and raise their taxes, and that it does not get in the way of sound tax policy and job creation. To put us through this for a difference of a little more than $50 billion between the two bills is amazing to me. That amounts to about 5 days of Federal spending. And to do this because the President wants it done? Sometimes it is good for this body to stand up and say, Mr. President, you are going too far.

What have I proposed? I proposed that since it is even worse than 2010, when the President thought it was the wise thing to do in a fragile economy that we put over the 2001, 2003 tax cuts for 1 year—1 year—and that we strike out a new force in this Senate and in the House to do tax reform in that year on a bipartisan basis.

I don't believe that is an unreasonable request, especially under the circumstances that we have seen with the potential of Taxmageddon. I actually believe it would be very wise on the part of all Senators to do exactly that. And wouldn't it be wonderful if we could work together for a change over the next year, knowing that year is devoted to tax reform.

Madam President, I ask unanimous consent to have a letter dated July 25, 2012, from the Associated Builders and Contractors printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ASSOCIATED BUILDERS
AND CONTRACTORS. INC.,
Arlington, VA, July 25, 2012.

U.S. SENATE,
Washington, DC.

DEAR SENATOR: On behalf of Associated Builders and Contractors (ABC), a national association with 74 chapters representing 22,000 merit shop construction and construction—related firms, I am writing to express strong opposition to the Middle Class Tax Cut Act of 2012 (S. 3412), an ill-considered measure that would amount to a massive tax increase on business income, capital investment, and succession.

Per the National Federation of Independent Businesses, 14 percent of small business employers will see a double-digit rate

increase under this bill, foisting a large tax hike on nearly one million job creators at the worst possible time. According to a new study by Ernst & Young, these tax increases would cost more than 700,000 American jobs and reduce the economy by 1.3 percent while diminishing wages and capital investment. With roughly 80 percent of commercial contractors paying business income taxes at the individual level, this scenario would disproportionately harm the construction industry.

Worse yet, the resurgent estate tax burden enabled by this bill will harm family businesses across the spectrum. Absent explicit congressional action, uncertain business owners would be faced with an escalated 55 percent rate with a severely diminished $1 million exemption. According to the National Small Business Association, one-third of all small business owners would be forced to sell outright or liquidate a significant portion of their company to pay this punitive tax. In a capital-intensive industry such as construction, with a large proportion of closely-held and family-owned businesses, a reversion to pre-2001 estate tax levels would be nothing short of disastrous.

Rather than exposing nearly one in seven job creators to a perilous fiscal cliff, Congress must act swiftly to extend current tax policies as a bridge to comprehensive tax reform. The Hatch-McConnell alternative plan would do just that, continuing the 2001 and 2003 rates while abiding by the bipartisan estate tax compromise reached in 2010 and providing for a path to reform the code.

ABC strongly opposes the small business tax hikes contained in S. 3412, and urges a NO vote for cloture on the motion to proceed.

Sincerely,

GEOFFREY BURR,
Vice President,
Federal Affairs.

Mr. HATCH. Madam President, I yearn for the day when we can see both sides come together and work together—work together in the best interests of the country.

We know this Presidential election is close. We know they are virtually in a tie right now. Let that play itself out, but let's do what is right here. Let's not hammer small business. Let's not have the biggest tax increase in history. Let's not put this country into a recession—and maybe even a depression. It was irresponsible, in my eyes, for any Democrat or any Republican to say that if you don't give us what we want, we are going to allow Thelma and Louise to go off the cliff. And we are Thelma and Louise in this situation.

We can work together on an economic program that hopefully everybody in this body—or at least the vast majority—can support in a bipartisan way.

I hope we can get through this. I am very concerned about our country and very concerned about the way these types of things are being brought up in this election year.

I will make one last comment. The Senate is not being run like the Senate. We are not going according to the regular order. We are not going through the committees. It is pure politics. I expect a little bit of that, but I don't expect everything to be pure politics. When our side isn't even given a chance in many circumstances to bring up amendments in the greatest deliberative body in the world, you can see why there are some bad feelings around here. And it is all being done to protect some Members here rather than doing what is right for the economy and for our country. We have got to wake up and start doing things in a little better fashion around here. I hope we can.

I hope my colleagues on the other side will accept my suggestion here. It is done in good faith. I believe we can dedicate next year to tax reform, and I believe we can get it done if we work together. I believe we can bring this country out of the morass it is in. And I suspect if my colleagues on the other side will support what I have suggested here today, the economy will start to turn around almost immediately. It seems to me it would be to their benefit in this Presidential election year, even though I don't trust what some have done in the past.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Mr. BEGICH. Madam President, I am going to deviate for a moment from my prepared comments. I listened to my good friend and colleague from Utah, Senator HATCH. I respect him greatly. As perhaps the only person who actually runs a small business, I wish to comment on a few things and comment on this important piece of legislation we have in front of us.

Small business is defined not by the SBA, which is 500 and below. When I talk to small businesspeople, they wish they had 500 employees. It would be a dream, but it is not a fact. We have to be careful about the numbers, and there are a lot of numbers being thrown around.

There was the story about the gentleman from Florida who sold his business and paid more taxes. I will be corrected if necessary, but when someone sells their small business, they pay capital gains tax, which is about 15 percent. So when they make more money when they sell their business—I have sold several of my small businesses over the years, and if someone doesn't reinvest, they pay a certain rate, and when they reinvest, they can bypass it through an exchange afforded through the Tax Code.

My friend from Utah sits on the Finance Committee. I am guessing the small businessperson had a pretty good rate, 15 points, which isn't bad. Let me also make sure and be very clear, again, there are a lot of numbers thrown around. The bills are very simple. They both cost money. One costs $930 billion over the next 10 years and one costs $250 billion. The proposal my friend from Utah suggested costs $930 billion over 10 years. That is how the Congressional Budget Office scores these things. We can argue if we agree or disagree. It is amazing on days they like the numbers they agree, on days they don't like the numbers they disagree.

The Congressional Budget Office is the Congressional Budget Office. I don't like the group. I like the people. I think they have a black magic box there and come up with numbers. The fact is, those are the numbers. That is the bipartisan organization that is selected by this body jointly to determine these numbers. We can argue over them after the fact. For example, when this extension that my friend talks about over there that in just 1 more year—how many times have we heard that? I have heard it twice since I have been here. It was a 10-year deal when it was first passed that would bring this relief and this growth and this economy beyond our belief. In the last 3½ years, I don't know, the economy crashed. It is recovering now and struggling.

When I came here, they said: We need to extend it for just 2 years to help the economy. So we extended it. I voted to extend them all for 2 years. I am not doing that again. We can't afford it. For 2 years, we had this extension that was supposed to boom the economy. We have had a slow-growth economy. The people growing this economy are the small businesspeople. These are the people who have 25 or less employees. They are the real small businesspeople.

As a matter of fact, this bill—and I heard the number. Again, I ask people to listen to the numbers and the twisted commentary that everybody gives on both sides. In Alaska, we say it how it is. Here are the facts, and we saw them in the documents, whatever may be presented to us. Ninety-seven percent of the small businesses in this country will not see a tax increase because they are real small businesspeople.

When we walk out of this building and we go down the street for lunch and see the restaurateurs that are operating, there are not 500 employees. There are 10 or 15 employees. I talked to the owner at the Alaska Growth Company today. He has 15 employees. The largest SBA lender, bigger than Wells Fargo, bigger than Key Bank, bigger than all of them, has 15 employees. That is a small business. Those are the people we are talking about.

I respect my friend. He has been a lawyer all his life. I am not a lawyer. No disrespect to lawyers. I am a small businessperson. That is where I made my living, that is where I make my living, and that is where our family makes our living. Let's make sure it is clear what we are talking about.

When the Senator talked about—I can't remember the exact percentage—but 54 percent of these dollars are passed through. He talked about dollars. Yes, because the 3 percent or the employers who have over 25 or 50 employees have huge revenue streams. The small businesspeople in this economy, 97 percent of them make less than $250,000 net income. That is what we are talking about. I think every small business would love to have net income over $250,000. They strive for it every

day. I know I do in my small business. I hope every day we achieve these numbers. As the public listens carefully to the debate and as the minority leader said earlier today, there is a difference, a clear difference. We cannot afford their bill. The taxpayers cannot afford their bill. It is $930 billion over the next 10 years, plus interest costs. I heard over and over from the other side, 40 percent of what we borrow is—we have to borrow to pay our bills. Forty percent of everything we pay, we have to borrow. Where are they getting the $930 billion? Where is that coming from? It costs money, it costs interest, and we don't have it because over the last decade and a half Democrats and Republicans spent like there was no tomorrow. Tomorrow is here.

We have to determine what our priorities are. Despite the fear tactics being laid out, I support small businesses 100 percent. Many bills I presented and supported over the last 3½ years were about protecting and growing our small business. Define a real small business. There are people who have to take their credit cards and figure out how to get capital because banks will not give them the money. They have a dream of an opportunity and people look at them and say: How much money do you have in the bank? You can mortgage your two homes or one home or you can put everything up that you have as collateral, plus maybe your first born. I have been through this.

My wife started her small business with a small investment out of her retirement funds, her own funds, and a small $30,000 SBA loan. Just as a side note, I get so frustrated when I hear these ads, everyone is going to exaggerate what they hear and see. I am sure, whatever I say today, in 2 years they will take a couple words and use them against me. I expect that. They will say whatever they want. That is what opponents do in campaigns. It is too bad we can't talk about the issues.

I am not here to defend the President. The President gets to defend himself. That is what he does. I have disagreed with the President more than once. I have disagreed with my national party more than once. His point is when we build a business, there are other elements that help build it.

For my wife's business, it was an SBA loan. I had a vending business. When I had those trucks on the street, those roads were built by a collective group of taxpayers who helped to build those roads. It is a combination of those things. Don't get me wrong. It is the blood, sweat, and tears of small businesses and the people who come up with the dreams and ideas that create these businesses and push it forward.

So I sat here patiently. As I was presiding, I listened. The numbers are simple. One costs more, one costs less. The taxpayers can't afford it. As I said, 2 years ago, I supported the extension because I was told we were going to invest. We were going to grow this economy significantly. We have grown it on the backs of small businesspeople. That is on whom we have grown this economy. That is where the fastest growing population of new employees are coming from.

To my friend on the other side of the aisle, we gave that idea a shot. It didn't perform. I have to say as to Thelma and Louise—a scene I hear about all the time—thank God they were driving an American car. My bet is they landed safely on the other side wherever they went. But the fact is, it was in this body—and I heard the same arguments on the other side: We can't help our auto industry; we can't help them out of what they are struggling with—we took a calculated risk to support those businesses that manufacture and employ people and today they are thriving because this body said we are going to take a risk. Again, Thelma and Louise, thank you for driving an American car.

This is simple. It is about making sure 98 percent of Americans today continue to have tax relief. It is about 97 percent of the businesses continuing to have tax relief—small businesses. It is important that we do this not only for the economy but for these families who are struggling. There are 300,000 families in Alaska alone who will benefit from this relief.

There is a comment that I think Senator LIEBERMAN said earlier, and I recognize his point. His point is we should have real tax reform. I agree and that is why I sponsored a bill with Senator WYDEN and Senator COATS on real tax reform. We are moving down the path, but we have to keep doing some things here. We have to do some things that keep the economy moving forward in the right direction.

A typical family of four in Alaska, if not without this relief, will pay another $2,200 a year in taxes. A married couple making $80,000 with one teenager at home and another in college will see their taxes go up by $2,250. A couple earning $130,000 with one child will see their taxes go up $4,000. I could go on and on. We have choices to make, and they are not going to be fun. Those days are gone. They did that in the last decade and a half when they had all kinds of money to spend. We are in a different situation. We have to make choices of whom we invest in to grow this economy.

I will invest in the small business community, the 97 percent that will continue to receive tax relief under this bill and the 98 percent of Middle America who are working every day to try to make ends meet. These are the folks I am focused on.

I recognize my colleagues on the other side want to again see massive tax reform. We have not had it since the early 1980s. I have not been here since then. I know a lot of these guys have been here a long time and sit on the Finance Committee and other committees. Do it. I am all game for amendments on the floor. I am all game for that. We did it on the farm bill. I believe we had 80 amendments. We had a ton of amendments on the Transportation bill. It doesn't bother me one darn bit. Vote on whatever we need to and move on. Let's move this economy forward and keep moving forward on the legislation that is critical.

Let me end on one point. I respect my colleagues on the other side. We agree many times and sometimes we disagree. Today we disagree on this issue. We don't have the money. We have to limit where we can put our resources and target them in the best way we can.

As I said, I voted a couple years ago for this extension on everything and more layoffs occurred in these big companies and certain things happened that didn't show the economy growth. One thing did happen. Small businesses did grow. For the first time in 5 years, home prices reported last week are up. New home starts are up for the first time in many months. Why are those up? Because the small business community and Middle America are starting to put money into those areas. That is important because that will grow this economy and grow it beyond our belief over the next decade, plus.

But for us to say we can still have the train moving at the speed we were moving at before the crash, we can't do it. We can't extend these tax rates for everyone. They want us to give a little, so we are asking the top 2 percent to give a little bit. At the end of the year, my guess is we are not going to extend the payroll tax. We can't afford it, so that means people on the other end will have to give a little bit. As my friend Senator LIEBERMAN said, everyone needs to give a little bit. Yes, we are going to do that.

From my end, I see the give and take and tough decisions that are necessary. That is what we were elected for, and that is why we are here. To keep business as usual and say: Just for 1 more year, we will do tax reform someday, well, that day is here. There is no tomorrow, and we have to make tough calls. So why not give the relief to the real 97 percent of small businesses?

Again, I have to clarify. I have a sub S. I have an LLC. I understand this. One comment my friend said was even if the owner didn't take a dime—I have a small business where I didn't take a dime. My LLC made money. I paid not corporate, but I paid a passthrough through me because I get a sub S, which is a combination of corporations.

The point is everyone needs to give a little to make it happen and make it work. Today we are asking one group to give a little but making sure the bulk of our economy continues to move forward. We want to make sure the 300,000 Alaskans whom I see on a regular basis still get the relief; for the small businesses that are creating jobs and creating a dream where they have to put a max on their charge cards to build the businesses because they can't get capital from the banks, or spending

time cashing out their retirement because they believe in their dreams, that this might be their opportunity, these are the people I want to support.

So, again, I appreciate the time. I wish we had more than what happens when we come down, we speak, we leave; we come down, we speak, we leave. There is no real give-and-take. I wish my friend from Utah was still here. We could have a great conversation about the data he used. But here is one simple point: One costs about $1 trillion, one costs about $150 billion. We can afford the lower cost option which protects 98 percent of the people in this country, giving them relief, and 97 percent of our small businesses.

Thank you, Madam President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. FRANKEN. Madam President, I wish to thank the Senator from North Dakota, Mr. HOEVEN, for his courtesy of allowing me to speak now so that I may take the Chair and listen to his speech.

I rise today to urge my colleagues to support our economic recovery, endorse fiscal responsibility, and bolster the middle class by voting to extend tax cuts on income up to $250,000.

Minnesotans are still struggling, and we need to act now so people making under $250,000 can keep their tax cuts. Middle-class families need every bit of help they can get. At the same time, we need to make sure the richest 2 percent of Americans are paying their fair share so we can pay down the deficit. It would be irresponsible not to.

Thanks to the policies of the Recovery Act, we emerged from one of the worst recessions in generations and actually stopped it from becoming the second Great Depression. That being said, too many working families are still struggling to find work, pay their rents or their mortgages, find affordable childcare, and send their kids to college. By extending tax cuts to these families, we will be putting money in their pockets and, in turn, they will likely go out and spend that money in their communities, at their local small businesses, and further bolster recovery.

My colleagues on the other side of the aisle look at this a bit differently. They have put forward a proposal that would extend tax cuts on income over $250,000 for a year as well, which would cost us over $800 billion in revenue over 10 years. They argue if we let taxes go up on the richest 2 percent of Americans, we are inviting another recession and we are stifling growth. They can make that claim over and over, but there is no evidence of this. It would be more helpful to examine the facts and what recent history has taught us.

First, it is essential to clarify who exactly would get a tax cut under the Democratic proposal. Luckily, the answer is easy: essentially everyone. If we pass the bill proposed by the majority leader and extend the tax cuts on the first $250,000 of income, everyone who currently pays income taxes will get a tax cut extension.

If a person makes $50,000, our bill preserves that person's entire tax cut. If a person makes $100,000, this bill preserves their entire tax cut. If a person makes $250,000, it preserves the person's entire tax cut, and their tax cut is also a lot bigger than the guy making $50,000 or $100,000. That might not be clear from some of the rhetoric we have been hearing lately, but it is true.

People making over $250,000 would still get a tax cut worth thousands of dollars, and it would be larger than anybody else's tax cut. The only portion of their taxes that would increase—or it would stay the same as under the law we have now, which is to not extend the Bush tax cuts—would be on any additional income above $250,000. If a person makes $250,000 plus $1, that person pays 39.6 percent on that extra $1. That is a difference of 4.6 cents, a little less than a nickel. So for those people under this plan, they get the benefit of thousands and thousands of dollars in tax cuts, minus a nickel.

Secondly, claims that not extending the extra tax breaks for the richest 2 percent will cause harm to the economy are not supported by history. Let's take a look at President Clinton. When he proposed his deficit reduction plan in 1993, every Republican in the House and every Republican in the Senate opposed it. And what was their claim? Their claim was that it would hurt businesses and cause a recession. Every Republican voted against it.

What really happened in the ensuing years? Not only did we have an unprecedented expansion of our economy for 8 years, creating more than 22 million new net jobs at the very tax rate we are talking about now for people over $250,000, but, at the same time, we turned the biggest deficit in history into the biggest surplus in history. President Clinton handed President George W. Bush a record surplus. So the only time in the last 30 years in which we actually had the budget in balance was after we raised taxes on those at the top—the very level we are talking about now.

Between 1993 and 2001, this country created an unprecedented number of jobs—22.7 million net—and did so while benefiting everyone up and down the economic ladder. Not every individual but every quartile. There was economic growth in every quartile. We witnessed a decrease in the number of Americans in poverty, and we saw the creation of more millionaires and billionaires than ever before. President Clinton's deficit reduction plan not only reduced the deficit as planned, it eliminated it entirely. So not only did we create all that prosperity, President Clinton then handed off a record surplus. I think this needs to be said. He handed off a record surplus to incoming President George W. Bush.

In fact, when President Bush took office, we were on track to completely pay off our national debt with $5 trillion of surpluses projected over the next 10 years. In other words, we would have zeroed out our national debt last year—zero, no debt. But he cut taxes in 2001, and he cut taxes in 2003, after we went to war—unprecedented in our Nation's history.

The decision before us today is a fundamental one: Should we extend these tax cuts on income up to $250,000, preserving tax cuts for everyone, with the largest tax cuts going to those with incomes of $250,000 or more—they would get the largest tax cuts—or should we ask the richest 2 percent to pay their fair share, to pay 4.6 percent extra on income over $250,000, which has been shown historically to create jobs? It poses a question about choices: We can choose to do the economically responsible thing or we can choose to provide additional tax cuts for people who least need them.

When everyone pays their fair share, our Nation can get back on a path to fiscal responsibility and, at the same time, invest in quality education, in infrastructure, in R&D for high-tech industries. These are the things which create prosperity. We can create good jobs in our manufacturing sector and other emerging industries.

In fact, investing in the middle class is a win for everyone. The buying power of the middle class is what sustains our economy, makes it grow. Our economy doesn't grow from the top down. If our experience over the last 30 years teaches us anything, it is that. It grows from the middle class out. President Clinton understood that and so does President Obama.

I have friends who have been very successful in the business world. I have enormous respect for them and what they have accomplished, and I do for almost every American who has been successful in building their businesses. There are some people who have taken some shortcuts and maybe don't deserve our approval, but they are a very small fraction. We honor, we celebrate people who have been successful.

This is what my friends who have been successful tell me. They say when the middle class is strong—when they have customers—they grow their businesses and can make more money. Believe me—I have had friends tell me exactly this—they would rather pay a 39.6-percent marginal rate on $2 million of income than pay 35 percent on $1 million of income. That is the difference between a booming economy and a stagnant one. How many times have we heard that the deficit is what is hurting our economy? We are talking about a difference of almost $900 billion to get our deficit under control. All this is just common sense. It is common sense and taking a little bit of a look at history over the last 30 years. Policies that support and grow the middle class benefit everyone and increase prosperity all along the economic spectrum.

So, in the end, we have a big decision to make today. Do we stand for our

economic recovery and for middle-class families and for addressing the budget deficit with the Democratic proposal or do we continue to give extra tax breaks to the richest 2 percent of Americans instead of extending improvements in the child tax credit and earned-income tax credit affecting more than 13 million working families while adding hundreds of billions of dollars to the deficit?

Let's be clear. The Republican plan would raise taxes on 13 million middle-class and working-class families and get rid of the expanded earned-income tax credit to people who are working so we can pay for tax cuts for millionaires and billionaires. I hope we can show the American people that common sense still prevails in the Senate by acting in unison across the aisle to do what is responsible.

I urge all of my colleagues to extend the middle-class tax cuts and to vote for the majority leader's bill.

Thank you, Madam President. I thank my colleague from North Dakota, Senator HOEVEN.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. HOEVEN. Madam President, I rise to speak on the need for progrowth tax reform rather than a tax increase.

President Obama has proposed raising taxes. He says that we should raise income taxes on individuals and small businesses, that we should raise capital gains taxes on investments, and that we should raise the estate tax, meaning raise the death tax on American families.

For example, take the estate tax. You have a farmer. Right now, if he wants to pass his farm on to the next generation, for any value over $5 million, he has to pay the estate tax. Generally, families may be able to do that. They may be able to borrow the dollars required and pass the family farm on to the next generation. But under this proposal, that changes. Instead of paying the estate tax on anything over $5 million, now that farm family would have to pay the estate tax on anything over $1 million. So think about a farmer in my home State of North Dakota or maybe in Minnesota or anywhere else throughout the Midwest. How do they pass on that family farm when they are going to have to pay taxes on any value over $1 million? So now they are looking at a situation where they are going to have to sell that farm rather than have their children continue farming an operation that may have been in that family for generations. That is a real problem for our farmers, for small businesses, and for families across this great country, and it certainly is not going to help our economy. In fact, it will hurt our economy.

The President himself has said that we cannot raise taxes in a recession. He has said repeatedly that doing so would hurt the economy and would, in fact, hurt job creation.

So let's review our situation right now. Our situation right now is that we have 8.2 percent unemployment. We have more than 41 months in which unemployment has been above 8 percent. We have 13 million people out of work, and we have another 10 million people who are underemployed. So you are talking about 23 million people in this country who are either unemployed or underemployed.

Middle-class income, since this administration has taken office, has declined on average from approximately $55,000 to $50,000.

Food stamps use. Food stamp recipients have increased from 32 million recipients, when this administration started in office, to 46 million food stamp recipients today.

Home values have dropped on average from $169,000 to $148,000.

Economic growth. Economic growth in this recovery is the weakest of any recovery since World War II. For the last quarter, our growth was 1.9 percent versus the prior quarter—1.9 percent.

Job creation last month: 80,000 jobs. But it takes 150,000 jobs gained every month just to hold even with our population growth, just to start reducing that 8.2-percent unemployment rate.

Those are the facts. They speak for themselves. You can draw your own conclusion.

The President's approach to our economy is making it worse. His failure to join with us in extending the current tax rates and engage in progrowth tax reform rather than raising taxes is sitting on our economy like a big wet blanket. But we can change that, and we can change that right now. We do it by extending the current tax rates, the tax rates that have been in effect for 10 years—not raising them but extending the current tax rates for a year—by engaging in comprehensive, progrowth tax reform, and also, of course, by getting control of our spending. Business investment and economic activity would respond immediately.

Look at the latest information from the Congressional Budget Office. The CBO projects that the economy will contract—will contract—by a 1.3-percent annual rate for the first 6 months of next year if the fiscal cliff is not addressed, meaning the current tax rates, which go up at the end of the year unless we address this, an increase in taxes and the sequestration.

Now, if those things are addressed with the approach we have put forward, instead of an overall one-half percent of growth next year, you are looking at 4.4-percent growth for our economy. Those are the CBO's statistics. Think of the difference—think of the difference—that would make for those 13 million people who are looking for a job. It just stands to reason because business needs certainty to invest, to grow, and to hire people, not higher taxes. With legal, tax, and regulatory certainty, businesses in this country would invest and grow.

Right now, there is more private capital on the sidelines than at any other time in the history of our country. Private investment capital that businesses would otherwise invest and get this economy growing and get people back to work is sidelined because of the regulatory burden, because of the government spending and the deficit and because of plans like this to raise taxes. It is that situation which is sidelining private investment and private capital. That means slow economic growth. That means higher unemployment. That means more people without jobs. That means less revenue to reduce our deficit and our debt.

So clearly raising taxes is not the way to go. But President Obama says: Now, wait a minute, everybody needs to pay their fair share. Right? You hear him say that all the time: Everyone needs to pay their fair share. Well, of course everyone needs to pay their fair share, but the way to do it is with progrowth tax reform and closing loopholes. That is exactly what we have proposed, not raising taxes on more than 1 million small businesses in this country—the very job creators in this country—as the President has proposed.

Let's take a look at tax rates for just a minute. We talk about this all the time. Let's take look at these tax rates. According to the National Taxpayers Union, for the tax year 2009, the top 5 percent of taxpayers paid almost 60 percent of the taxes. One more time. The top 5 percent of taxpayers paid almost 60 percent of all the income taxes paid. The top 10 percent paid 70 percent of all income taxes, and the top 50 percent paid 98 percent. The top 50 percent of taxpayers paid 98 percent of all income taxes.

So what we are proposing is progrowth tax reform, closing loopholes. Let's extend the current tax rates for 1 year and set up a process to pass comprehensive, progrowth tax reform that lowers rates, that closes loopholes, that is fair, that is simpler, and that will generate revenue from economic growth rather than higher taxes. The reality is that, along with controlling government spending, is the only way we are going to balance our budget, that is the only way we are going to get on top of our deficit and debt, and that is the only way we are going to get these 13 million people back to work. Because that is how this American economy works—when we stimulate that private investment, that entrepreneurial activity of small businesses across this county that has made our economy the envy of the world.

To be successful, this effort has to be bipartisan. We have to join together in a bipartisan way to make it happen. So let's get started. Let's give small businesses in this country the legal, tax, and regulatory certainty, the business climate, the environment they need to encourage private investment and innovation and job creation. That is the

American way. That is the real American success story. We can do it, we need to get started, and we need to make it happen now.

With that, I yield the floor.

The PRESIDING OFFICER (Mr. FRANKEN). The Senator from Virginia.

Mr. WEBB. Mr. President, I would like to take some time at this point to talk about some events in Asia. I think we all need to be paying very close attention to them. Before I do that, I would like to clarify my position on the vote we are going to be taking this afternoon.

First, I wish to emphasize that I agree with all those comments that have been made by my Democratic colleagues about needing to keep these tax cuts in place for our lower income workers, our middle class; I just happen to believe we need to keep them in place for everyone who is making their income through what we call ordinary earned income.

Earned income, ordinary earned income, is the strongest indicator that a person in this country is actually accumulating wealth, which is the American dream, and it is not necessarily that you have wealth—whatever the amount may happen to be. Passive income, which is income from capital gains, such as investment in stocks or dividends, is one of the best indicators that you actually have accumulated a certain amount of wealth—you have enough money to set aside and invest it.

So my long belief has been that if we are going to raise taxes on income, in addition to these other things we have been talking about with respect to tax loopholes and subsidies and those sorts of things, we really ought to be doing so in the fairest place, and the fairest place is from passive income, not ordinary earned income. I have said since the day I announced for the U.S. Senate years ago that I will not vote to raise taxes on ordinary income of any amount. I gave a rather detailed set of floor remarks several months ago about this issue.

I would like to share this particular chart with my colleagues today before I begin speaking on the situation in the South China Sea. This shows sources of income for the top 0.1 percent. We keep talking about these people at the top who are not paying their fair share. Well, two-thirds of the money that is being made by the top 0.1 percent in this country—that is 140,000 taxpayers—is being made from passive income. It is being made from capital gains and dividends, which are taxed at a much lower rate than ordinary income—right now, 15 percent.

So in addition to fixing the larger Tax Code, I would like to say again to my colleagues that this is the area where we really should have the courage to make some decisions.

I was reading an article in the Economist—this week's edition—pointing out that American profits, corporate profits as a percentage of GDP, are actually higher now than they were at the high point before our economic crisis. In other words, corporate profits have gone up to a point where they are now about 15 percent of our GDP at the same time our wages have stagnated and gone down. They made one point in here where they said there is an irony that a high share of GDP for profits automatically results in a low share for wages. Why? Because the people who are making the money by running these companies—the executives—are selling their stocks, their stock options, taking the lower percentage on capital gains in order to make their money.

So I am not going to vote for raising taxes on ordinary earned income. But, again, I will renew my suggestion to this body that we take a good, hard look at this because this situation is creating the greatest disparity among our people.

SOUTH CHINA SEA

Mr. President, for many years, since well before I came to the Senate, I have had the pleasure to work and travel inside East Asia in many different capacities—as a marine in Okinawa and Vietnam, as a journalist, as a government official, as a guest of different governments, as a filmmaker, as a business consultant.

What we have been able to do, I think, in the last 5 or 6 years in order to refocus our country's interest on this vital part of the world is one of the great success stories of our foreign policy. But at the same time, we have to always be mindful that the presence of the United States in Southeast Asia is the guarantor of stability in this region.

If you look up here at the Korean Peninsula, you will see that for centuries there has been a cycle where the power centers have shifted among Japan, Russia, and China. This is the only place in the world where the geographical and power interests of those three countries intersect, and they intersect, with the Korean Peninsula being right in the middle of it.

We saw earlier, actually in the middle of last century, what happened when Japan became too aggressive in this part of the world. The Japanese fought Russia in the early 1900s. They defeated them. This is when they moved into Korea, occupied Korea, moved into China.

This resulted in our involvement in the Second World War. And since the Second World War, our presence has been the guarantor of stability. We have seen blowups, the Korean war when we fought China in addition to North Korea, the Vietnam war, in which I fought. But generally the long-term observers of this region, people such as Minister Mentor Lee Kuan Yew of Singapore, will say that the presence of the United States in this region has allowed economic systems to grow and governmental systems to modernize. We have been the great guarantor of stability.

The difficulty we have been facing in the past 10 to 12 years has been how to deal with the economic and international growth of China in this region. Before China's expansion, when I was in the Pentagon in the 1980s, we had seen the reemergence of the Soviet Union. When I was in the Pentagon at that time, on any given day Russia's dream of having warm-water ports in the Pacific had been realized, to where they would have about 20 to 25 ships in Cam Ranh Bay, Vietnam, at the end of the Vietnam war. But for the past 10 to 12 years, the challenge has been for us to develop the right sort of relationship with China so we can acknowledge their growth as a nation but maintain the stability that is so vital in this part of the world.

The last few years have been very troublesome. There have been a number of issues out here in the South China Sea that for a long time our military leaders assumed were simply tactical engagements where Chinese naval vessels and fishing vessels would be involved in spats with the Philippines off the coast of Vietnam. But it became very clear—and also in the Senkaku Islands near Japan.

It became very clear after a while, though, that what we are seeing are sovereignty issues. People were talking for many years about solving the situation in Taiwan, the sovereignty issue in Taiwan. It was clear—I was speaking about this for many years—that there are many other sovereignty issues once Taiwan is resolved: the Senkaku Islands, which Japan and China both claim, the Paracels, which China and Vietnam both claim, the Spratlys, which are claimed by five different countries, including China, Vietnam, and the Philippines.

So we started seeing a resurgence of incidents that became military confrontations over the past couple of years. Our Secretary of State and this administration were very clear 2 years ago, almost to the day, that these situations were not simply Asian situations, that they were in the vital interests of the United States to be resolved peacefully and multilaterally.

We have been struggling on the Foreign Relations Committee to try to pass the Law of the Sea Treaty where these sorts of incidents—which, by the way, are more than security incidents, they involve potentially an enormous amount of wealth in this part of the world. We have had a very difficult time getting a Law of the Sea Treaty passed where most of the countries around the world recognize the basic principles of how to resolve these international issues through multilateral involvement.

In the absence of a Law of the Sea Treaty, and, I think, with the resurgence of the Chinese—a certain faction of the Chinese tied to their military, China has become more and more aggressive. This past month has been very troublesome. On June 21, China's State Council approved the establishment of what they call the Sansha City

Prefectural Zone. This is literally the creation from nowhere of a governmental body in an area that is claimed also by Vietnam.

Unilaterally on Friday, July 13, because of disagreements over how to characterize the South China Sea situation, ASEAN—the Association of East Asian Nations, a 10-nation body, which has been very forthcoming in trying to solve these problems—failed to issue a communique about the South China Sea issues, a multilateral solution of the South China Sea issues.

On July 22, the Central Military Commission of China announced the deployment of a garrison of soldiers to the islands in this area. The garrison will likely be placed in the Paracel Islands right here, as I said, claimed by Vietnam, within the exclusive economic zone of Vietnam.

July 23, China officially began implementing this decision. It announced that 45 legislators are now to govern the approximately 1,000 people who are occupying these islands. They have elected a mayor and a vice mayor. They have announced that a 15-member standing committee will be running the prefecture. They have announced that this city they are creating will administer more than 200 islands, sandbanks, reefs, covering 2 million square kilometers of water.

In other words, they have created a governmental system out of nothing. They have populated with a garrison an island that is in contest in terms of sovereignty, and they have announced that this governing body will administer this entire area in the South China Sea.

China has refused to resolve these issues in a multilateral forum. They claim these issues will only be resolved bilaterally, one nation to another. Why? Because they can dominate any nation in this region. This is a violation, quite arguably, of international law. It is contrary to China's own statements about their willingness to work with ASEAN, to try to develop some sort of code of conduct. This is very troubling. I would urge the State Department to clarify this situation with China and also with our body immediately.

I yield the floor.

Mr. ROBERTS. Mr. President, I rise to share my concerns over the proposed changes in the estate and gift tax provisions of the current Tax Code that will be considered within hours on the floor.

Similar to much of the Tax Code, the estate and gift tax provisions are terribly complex, costly to comply with, and have very serious negative consequences. These negative consequences disproportionately harm farmers and ranchers and worry their lenders.

Visiting with farmers and stockmen today—livestock producers—one had better stand back. They are upset, they are frustrated, they are angry, they are concerned, and they are worried.

All across farm country, we are suffering from a severe drought—which is a real emergency, historic in scope and damage, particularly for our livestock industry. Congress should respond. At the same time, they are facing a farm bill that is in limbo, regulations that defy any commonsense cost-benefit yardstick, and no farmer or their lender can plan in this environment. In farm country, there is no certainty.

But just to split the shingle, now we have proposed changes to the current estate tax—the infamous death tax—all based on a select few in Washington deciding who is wealthy, what is a fair share people should pay in a tax and how they should pay that tax, playing again with the politics of envy and class warfare. I think we ought to quit this business. The classic example is that under current law, the Federal estate tax is set at 35 percent on estates over $5 million.

If nothing is changed, on January 1, 2013—or if Senators vote for a particular version of the two tax bills we are going to be considering in just about 1½ hours—if nothing is changed, the estate tax exemption will drop from $5 million to $1 million and the estate tax rate will jump from 35 percent to 55 percent.

If we do not act to extend the current death tax structure—I would like to eliminate it; I would like to repeal it but at least extend it—the Joint Committee on Taxation reports that over 10 years, the number of small businesses subject to the death tax will increase from about 1,800 folks to 23,700, and the number of farming estates subject to the death tax would increase from about 900 farmers and ranchers to 25,200. That is more than 20 times additional farming estates that would be hit with this massive death tax hike, a 2,000-percent increase.

It is not just farmers and ranchers who would be affected. Nine times more small businesses would be hit with this massive death tax—a 900-percent increase. Twelve times more taxable estates would be hit—a 1,200-percent increase. While I support permanently repealing the death tax, if we cannot achieve that goal, how we structure this tax in particular has immediate real-world implications for folks in Kansas and across the country.

The looming 2013 change to the estate tax law would be a huge disservice to agriculture because it is a land-based, capital-intensive industry with few options for paying estate taxes when they come due.

The current state of our economy, coupled with the uncertain nature of estate tax liabilities, makes it tremendously difficult for family-owned farms and ranches to make any sound business decisions. They are on the sidelines of our economy. They are not on the economic playing field. Again, there is no certainty.

Obviously, raising the estate tax burden will strike a blow to farm and ranch operations trying to transition from one generation to the next. A $1 million exemption sounds like a lot. To some people in this Chamber—and obviously to some people within this administration—at $1 million a person is rich, they are wealthy, with no consideration as to what the personal situation is for that individual, but somebody just determining what a fair share is and then taking from that individual and redistributing to those whom they think deserve it.

But a $1 million exemption is not high enough to protect a typical farm or ranch able to support a family. When coupled with a top rate of 55 percent, that is going to be especially difficult, if not impossible, for farms and ranches and businesses to pass on their wherewithal to the next generation.

Yet our Nation's estate tax policy is in direct conflict with the desire to preserve and protect our Nation's family-owned farms and ranches. Individuals, family partnerships, and family corporations own 98 percent of our Nation's 2 million farms and ranches. When estate taxes on an agriculture business exceed cash or other liquid assets, many surviving family partners will be forced to sell land, buildings or equipment needed to keep their businesses operating.

With 85 percent of farm and ranch assets illiquid, producers have few options when it comes to generating cash to pay the estate tax. Recent increases in agricultural land values—on average, 25 percent from 2010 to 2011—have greatly expanded the number of farms and ranches that now top the estate tax exemption. How on Earth can farmers, ranchers, and small businesses even plan for this?

In order to keep farm or ranch businesses operating after the death of the owner, families must plan for the estate tax. But under the majority party bill we will vote on shortly, many more farmers and ranchers will face increased filing, paperwork, and other hassles in planning for succession, not to mention lawyers, CPAs, and estate planners. In fact, if we don't extend the current estate tax, estates required to file paperwork with the IRS rise from about 8,600 to 107,500. That is a lot of time and cost that could be avoided.

The planning costs associated with this tax are not only a drain on business resources but also take money away from the day-to-day operations and investing in the business. Even with planning, uncertain tax law combined with changing land values and family situations make it impossible to guarantee that an estate plan will protect the family farm or ranch. This not only can cripple a farm or ranch operation, but it hurts all throughout our rural communities, up and down Main Street, every business that agriculture supports.

The death tax is one of the worst offenders in bringing real complexity to the Tax Code, and I believe it is one of the most distortive provisions in our system.

Some believe and will point out that the estate tax is an instrument of social justice; that it is designed to limit wealth accumulation and to spread that wealth around, something I think that is contrary to what this country is all about.

Why do you work? You work hard to make a difference, and you work hard because you enjoy the work and hopefully you get paid for it—and, hopefully you get paid for it enough that you can at least have enough wherewithal so your kids and their kids can continue that kind of endeavor if they so choose. But some people say we want to spread that wealth around.

Even if someone holds what I consider a socialistic view—a tough word; it is a pejorative, I know, but I think that applies here—the estate tax, which distorts no end of economic decisions, isn't the most efficient method to redistribute wealth. If you are a wealth redistributor, if you will, in this body, clearly taxpayers facing the death tax respond to the tax by cutting back on investments, consuming more of the capital and other assets that could be passed on to build businesses.

So the disincentives the death tax creates in the end lead to lower growth, fewer jobs, and less savings. How do we redistribute that? There is nothing to redistribute. In a troubled economy, this forced outcome does not make sense.

Being able to plan for the future is critical. The current uncertainty leads to the repeated provisions of wills and trusts, which burdens taxpayers and advisers alike. I don't care what farm organization I am talking to, what commodity group, what small business group, wherever I go in my State of Kansas—and I think it is the same in regard to other States that Members are privileged to represent—over and over, I have been asked again what Congress will do with these provisions: What should a rancher do? How can they pass farms on to their children?

I have even been asked, for planning purposes—I am not making this up—if this is a good year to die. That is astounding, if not outrageous. It may be a good year to die because this egregious change is going nowhere.

These two bills we are considering in just a few moments are not going anywhere. We will vote in a little while, but they are both subject to a point of order—not having originated in the House, they will be blue-slipped. That is a fancy word, a parliamentary word, saying they are going nowhere because bills on taxes have to originate in the House. Talk about a real income redistribution—a nothing burger. That is what we are considering. But it is indicative of what is being considered in this Chamber and indicative of what we have to take care of in true tax reform.

Folks in Kansas should not have to make such important decisions on a tax law that is changing all the time. We need to repeal or permanently reset the death tax. If this tax cannot be repealed, it needs to be set in stone—hopefully, not a gravestone—and at a rate and in a manner that provides certainty.

While it is important to permanently eliminate this very punitive tax, until this can be accomplished, Congress should at least extend the current $5 million exemption, indexing it to reflect land values and continuing the spousal transfer and maintaining the top 35-percent tax rate.

We pay taxes all of our lives. It just doesn't make sense to be taxed again when we die.

I suggest the absence of a quorum, although I note that my colleague from Illinois is perhaps ready to speak. I will be happy to yield back any time I have.

The PRESIDING OFFICER (UDALL of New Mexico). The Senator from Illinois.

Mr. DURBIN. Mr. President, in a short time we are going to vote on a tax measure that gives the Senate a very clear choice, and here is the choice: At the end of this year, a whole battery of tax cuts that were enacted into law years ago will expire, on December 31. The question is, What is going to happen next? If we do nothing, a very good thing will happen but also a very bad thing will happen. The good thing is that if the taxes go up on virtually all Americans for 10 years, we will reduce our deficit by $5 trillion—more than any group has been able to suggest or come up with a plan to achieve in any of the meetings in which we have been involved. That is $5 trillion in deficit reduction. It is an amazing reduction. There is another side to the ledger. On the other side of the ledger it says: If we start taxing families now while this economy is in recovery, it is going to slow down the recovery. Well, that is natural. People have less money to spend, and many working families living paycheck to paycheck will face a new hardship they don't have today. They reduced their spending, the economy contracts, and we see this recession hang on with high unemployment and businesses failing.

So it really is a very Faustian choice, a difficult choice—reduce the deficit dramatically, on one hand, by letting all the tax cuts expire but risk going into a deeper recession and maybe repeating what happened a few years ago, which devastated our economy.

The President said: Let's try to strike the right balance. When all of the tax cuts expire on December 31, let's focus on restoring the tax cuts for that portion of American families and workers who need a helping hand to continue. But let's not go all the way. Let's not restore the tax cuts for those in the highest income categories.

So the President says: We can have both. If we follow my plan, we will reduce the budget deficit because we don't give tax cuts to the wealthiest, and we will still help working families, and we will keep the economy moving forward.

He tries to strike that balance. The balance he strikes is that everyone will get a tax cut on the first $250,000 of income, even millionaires, but not beyond that.

The Republicans have a different approach. They will offer an amendment—extend all the tax cuts for everyone to the highest levels of income, well beyond $250,000, not just to the 98 percent of the Americans who make $250,000 or less but 100 percent, everybody. Well, their approach, by extending those tax cuts, will mean no deficit reduction. In fact, their approach would add about $900 billion to the deficit compared to the President's approach. So they are really basically throwing a bucket of red ink on this conversation and saying: We are prepared to add $900 billion to the deficit so that the top 2 percent of wage earners can get a tax break.

That isn't all. The Republican approach, which will be offered by Senator HATCH, the ranking Republican on the Senate Finance Committee, goes a step further. I don't understand this part of it. He wants to extend the tax cuts to the highest income categories, but then he very carefully excises or eliminates some of the basic tax breaks working families use.

Let me be specific. The Hatch-McConnell bill does not extend the earned-income tax credit, child tax credit provisions, and as a result here is what happens: The Hatch provision, which protects the wealthiest in America by saving their tax cut, would increase the tax on 11 million working families in America who currently are able to deduct the college tuition expenses for their kids. So while the wealthiest in America will get a break all the way through with the Hatch-McConnell Republican approach, 11 million American families will find their tax bills going up if they have kids in college.

What kind of message is that? Here the students are struggling to get through school, families are incurring debt, and we create a tax benefit to help those families get through, but the Republicans say: No, we are going to raise the taxes on 11 million working families.

That is not all. They also raise the taxes on 6 million other families, working families with three or more children, by $800 each on a change they refused to make on the earned-income tax credit and then turn around—and I think this is one of the worst—and increase the taxes on families with children. The child tax credit currently in the law allows a break for families with kids, a helping hand, because kids can be expensive. This is part of the Tax Code that helps these families.

So about 25 million American families will see their taxes go up with the Hatch-McConnell Republican tax approach that protects those at the highest level of income categories. I don't think that is sensible.

I have spent a lot of time in the last couple of years talking about this deficit. It is serious. I guess I come from

the Democratic side of the spectrum, the left side of the spectrum. That is what my values reflect, and that is what my voting record reflects. But I will say this: This Democratic Senator understands that deficits are for real. We cannot continue to borrow 40 cents of every dollar we spend, even for the programs I love, let alone the programs I am not so crazy about. So we have to reduce spending, but we can't balance the budget with millions of Americans out of work. We need to get this economy growing, moving forward, and creating jobs.

People who are working and paying taxes make this a strong country and start to solve some of our deficit problems just by virtue of the fact that they are working, paying their taxes, and raising their families. So when it comes to these tax cuts, let me say that I am passionate about making certain working families get the break they need.

Pew Trust did a survey last year. Here is what they asked working families across America: If you had a family emergency and you needed $2,000 in 30 days, could you get it? Could you come up with $2,000 if there was a major car repair or a pretty routine trip to the hospital or to a doctor's office? That can run to $2,000 in a hurry if you have a broken arm. Consider the possibilities. So they asked all the working families how many of them could come up with $2,000 in 30 days. The answer was half of the working families. That means the other half can't. It tells us how close to the edge many people are living.

That is why the President's proposal—the Democratic proposal here—that gives the tax cuts and tax breaks to the working families makes a difference. Ninety-eight percent of Americans will benefit from the President's approach; 2 percent will pay more. I think 2 percent will pay their fair share.

The Republican approach means, for a person making $1 million in a year—and just some quick math: that is $20,000 a week in income—it would give them a $250,000 annual tax break. Come on. At this moment in time, when we are dealing with the deficit and calling on Congress for more spending cuts and saying we have to get it together as a nation, $250,000 a year in additional tax cuts for millionaires? I don't get it. I don't begrudge them their wealth. This country is based on successful people who have led us in business and so many other endeavors. But I also think those people, when you talk to them, are darned appreciative to live in this country and willing to help it move forward.

Then they make the argument that, well, wait a minute, if we raise taxes on people making $1 million a year, we are going to hit a lot of the ''business creators.'' Well, we looked at that. Ninety-seven percent of small business owners are exempt if we draw the line at $250,000 of income. I will concede that there are professional corporations and S corps, investment fund managers, some accountants, some lawyers, and some doctors who may be job creators. I don't doubt that. But are we really asking a great sacrifice from someone making $1 million a year not to get a tax break to the full extent they did before?

I think what we understand is that if we are going to help the middle-class and working families in America and if we are going to move the economy forward, we need a sensible tax policy.

I happen to be of the school that maybe not all the Democrats agree with. On the Simpson-Bowles Commission, I was the one who said that the only way to deficit reduction is to put everything on the table, including the programs that I think are critically important for America's future.

Medicare makes a difference in the lives of 40 million-plus Americans, and I want it to be there. I know it is going to run out of money in 11 years. Think about that. If we don't do a thing here and if we get caught in political gridlock, the Medicare Program that 40 million-plus Americans depend on is going to run out of money. What excuse are we going to come up with? There is no excuse. We need to sit down, look at this program, make sure that works, and make sure it is affordable for seniors. We have to do it sooner rather than later.

We hear so much about Social Security. Let's get the facts out. For at least the next 22 years, Social Security is going to make every promised payment to every retiree in America, with a cost-of-living adjustment, no questions asked. We can't say that about many, if any, Federal programs. But in the 23rd year, we will be in trouble. We will have a dropoff in revenue in the Social Security trust fund, and the payments would have to be cut about 30 percent.

If you are wealthy in retirement—and some people are—your Social Security check is like a little extra dividend, but for some people, it really determines whether they are going to get by for another month, and a 30-percent cut is unacceptable.

We need to look at Social Security. It doesn't add a penny to the deficit, but the Social Security trust fund needs to be stronger longer. We need a bipartisan approach to this. We did it 50 years ago, and we can do it now. We need to sit down and make sure it works. We shouldn't decide that this is out of bounds. That is something we need to consider.

It won't be voted on today, neither Medicare nor Social Security. We are just dealing with the tax side of this conversation. I happen to believe all of these things need to be discussed. When it comes to taxes, we are pretty basic on that. I want to make sure working families have a tax code that helps them.

Think about this for a second. Last week we had a bill on the floor of the Senate, and here is what it said. Currently the Tax Code creates incentives and rewards American businesses that want to ship jobs overseas. American businesses that want to outsource and ship jobs overseas, the Tax Code says, we will give you a break. They will pay less taxes if they send jobs away. That makes no sense at all. Why would we reward the export of American jobs? Why would we provide for the deductibility of moving expenses and other expenses related to moving their business out of America and hiring people in another country?

So last week Senator DEBBIE STABENOW of Michigan and Senator SHERROD BROWN of Ohio came to the Senate floor and said: Let's eliminate the tax incentive to move jobs overseas, and let's turn it around. Let's create a tax incentive for businesses that want to bring jobs back to America. Sounds right to me, doesn't it, that we are creating jobs in this country and discouraging them from going overseas? In the end, we had all the Democrats voting for it and only 4 out of the 47 Republicans voting for it. That is not enough to break the Republican filibuster.

When we talk about a tax code, I not only want to help working families, I want to provide an incentive and reward for those good, home-based American corporations that are trying to keep good-paying jobs right here in the United States of America. Honest to goodness, if we want to walk into a store, pick up a product, flip it over, and see ''Made in the U.S.A,'' we better wake up.

Currently what is going on is unacceptable. This notion on the Republican side of the aisle that we shouldn't get in the way of business when they want to make their decisions, I may not argue with that premise, but I don't think we ought to incentivize it, subsidize it, provide something in the Tax Code to encourage it, particularly when it costs American jobs. But last week, only 4—4—of the 47 Republicans would join us in that effort, so we came up short. This week, we have to get it right when it comes to our Tax Code in the future and tax cuts for the families across America.

One of the things that has worried me greatly as I consider the challenges facing families is their inability to provide for their kids the way they want to. I think we all know the expenses of raising children. We all know what families face when the kids are off to college and we know some of the challenges they face after college. We have come up with an approach which I think is sensible: a child tax credit for the young kids; a deduction of college education expenses for those who made it to that level of education; and then part of what some call derisively ObamaCare, which says that families can keep their kids on their own family health insurance until those young men and women reach the age of 26. That makes sense. How many young people coming out of college today

struggle to find a job and, if they find one, struggle to find a job with health care benefits?

I can tell my colleagues that many times I would call my daughter or son after they got out of college and ask them about health insurance, and my daughter used to say, Dad, I don't need that now. I will get it later. I feel fine. Well, she never knew and I didn't know what tomorrow would bring.

So if we are going to give peace of mind to families, let's make sure we think along the spectrum, along the continuum. Why would the Republican proposal today want to raise taxes on families with children, raise taxes on some 15 million families across America, including those with kids? If they can find room for a tax break for the wealthiest, shouldn't they be able to include those families with kids? They may not be the wealthiest, but they are, in many cases, the neediest, and they are, in many cases, the most important for our future. Yet the Republican approach—the Hatch approach—is going to raise taxes on middle-income families with children. That is something we should never allow to occur.

Let me say, this should be a simple vote for everyone in the Senate, across the political spectrum. We ought to agree on two things. First, we need to cut taxes for middle-income and working families. Second, we should be responsible stewards of the Federal budget and not leave a mountain of debt for our kids. Giving tax breaks to the wealthiest people and adding $900 billion to our national debt is not responsible.

Let's take this vote and show the American people we stand with them and their values. We stand for cutting middle-class taxes and putting our debt on a sustainable path to recovery.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CARDIN). Without objection, it is so ordered.

Mr. REID. Mr. President, I now ask unanimous consent that at 4 p.m. the cloture motion with respect to the motion to proceed to S. 3412 be withdrawn; the Senate adopt the motion to proceed to S. 3412, a bill extending the 2001, 2003, and 2009 tax cuts for 98 percent of Americans and 90 percent of all small businesses; that the only amendment in order to the bill be a substitute amendment offered by Senators MCCONNELL and HATCH, which is identical to the text of S. 3413; that the amendment not be divisible; that the time until 4 p.m. be equally divided between the two leaders or their designees prior to a vote on the McConnell-Hatch amendment; that upon disposition of the McConnell-Hatch amendment, the Senate proceed to vote on passage of the bill, as amended, if amended; that there be no motions, points of order, or amendments in order to the amendment or the bill; that there be 2 minutes equally divided between the votes; finally, that when the Senate receives a companion bill from the House providing for the extension of tax cuts, as designated by the majority leader, it be in order for the majority leader to proceed to its immediate consideration; strike all after the enacting clause and insert the text of S. 3412 as passed by the Senate in lieu thereof; that the House bill, as amended, be read a third time, a statutory pay-go statement be read, if needed, and the bill, as amended, be passed with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. Mr. President, reserving the right to object, I ask unanimous consent that the request be modified to strike the last paragraph and, further, that it also be in order for a second amendment, the text of which will be at the desk and is the President's small business tax hike; further, that it be considered under the same terms of my amendment, and that after the vote on that amendment the Senate proceed to a vote on the McConnell-Hatch amendment as the original request provided for.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, reserving the right to object, the President's bill is the one that is before this body that I asked unanimous consent on. We have a Statement of Administration Policy. It is the President's bill. So I respectfully object to my friend's suggested modifications.

The PRESIDING OFFICER. Objection is heard to the modification.

Is there objection to the original request by the majority leader?

Mr. REID. Mr. President, my friend is objecting to the last paragraph in my request. He has asked consent to add a third provision. I have objected to the third provision. He has objected to the last paragraph. I would be willing to renew my consent minus the last paragraph which begins ''finally'' and ends with the word ''debate.''

The PRESIDING OFFICER. Is there objection to the new unanimous consent request?

Without objection, it is so ordered.

Mr. REID. Mr. President, the vote will occur at 4 o'clock today on these two amendments. I appreciate very much the Republican leader allowing us to arrive at the point where we are. I would tell everyone that the time until 4 o'clock is evenly divided, approximately an hour for each side.

I ask unanimous consent that if there are quorum calls between now and 4 o'clock the time be equally divided between the two sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COATS. 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 Senator from Indiana is recognized.

Mr. COATS. Mr. President, I wish to talk about two things here briefly and also yield to my colleague for some remarks. First of all, while it is beyond our jurisdiction here, and perhaps it is a little bit out of line for me to talk about this, I am urging the Congress, specifically in this case the House of Representatives, to follow this body in passing the farm bill.

I do so for a number of reasons. Even though I had some problems with the farm bill, and I fully understand the issue, there are those who believe those policies that directly affect agriculture are being subordinated to a bill which incorporates about 80 percent of that bill for Federal food assistance. These are nutrition issues which, of course, are related to agriculture.

By the same token, it is a Federal program that is significantly different than what the farm bill is designed to accomplish. So about 20 percent of that bill affects the farmers in our area, the other 80 percent goes to a Federal welfare type of program for providing food stamps and other nutrition assistance.

I am hoping that the House, particularly in light of the fact we are suffering a significant drought, probably the worst drought since 1950 according to the weather records, and getting worse all the time—the temperatures have been in the low hundreds all across the Midwest, the bread basket of America, where we produce most of our grain and feedstock.

The cornfields and soybean fields and other pastures are burning up with blazing sun in the hundreds of degrees every day and no water falling from the sky. This drought is seriously impacting my State, but also a number of Midwestern States and especially the States that produce the bulk of our agricultural products. This affects not only needed crops to provide feedstock, but also that support our ethanol program and a number of other programs. It is a dire situation.

I am hoping the House can resolve its issues and move forward. There are a number of provisions in this farm bill that provide relief to farmers and ranchers suffering from this drought. Those are expired. So it is important that we pass this bill, that we get it passed by both Houses of Congress and into conference, resolved and signed by the President.

I am urging my colleagues in the House, where I once served, to help with this by moving forward on this farm bill.

The other point I want to make is that we are about to face—we just

learned from our leadership, we are about to enter into a short amount of debate before we vote on a motion to address taxes. This also directly affects our agriculture community and we will explain why. But I wish to yield to my colleague here from Mississippi for some comments in this regard.

Mr. WICKER. I appreciate what my friend said about the drought. Much of my State at the last minute escaped it, but I happened to be in the State of Missouri in the past few days and saw the terrible drought conditions there.

I cannot think of a worse time, with our farm community being devastated by this drought, to talk about a huge tax increase on our agriculture community, particularly in the form of the estate tax. I just learned a remarkable thing. I would ask my colleagues if this is the state of the bill we will now be voting on at 4 this afternoon.

The result of this legislation would be to take the estate tax back up to 55 percent on all of the value of an estate over $1 million. This would be a devastating tax increase. I honestly do not believe the American people understand that this is the effect of the legislation our friends on the majority side have brought forward. But if this bill is passed the way it is currently configured, that would be the result. We would go back to the old law, 55-percent tax on all, the value of these southern and midwestern farms, of any small business across the country, would go up to 55 percent over values of $1 million. It is an unthinkable result. I frankly would not be surprised if the phones across the street in our offices are ringing off the wall at this result.

I ask my friend from South Dakota if I have misunderstood the effect of this legislation.

Mr. THUNE. Mr. President, if I might respond to my colleagues from Mississippi and from Indiana, the Senator from Mississippi is absolutely right. The proposal we will vote on as presented by the Democrats today would allow the death tax exemption to go back to $1 million, that is the pre-2001 level, and apply a 55-percent tax rate on top of that.

To give you an example of how that might work in a State such as mine, I represent South Dakota. The average size farm in my State is a little under 1,400 acres.

And if you look at the average value per acre of land and multiply it by the size of the average farm, you are talking about an average farm of between $2 million and $2.5 million in value. You could be talking about—and this is average, and we have a lot of farms that will be impacted more significantly than this. But you will be subjecting about $1.5 million of that farm's value to a 55-percent tax rate; and 84 percent of the value of farm assets, according to USDA, is in real estate. They are land rich but cash poor.

What happens? When the IRS comes calling after somebody passes away and says: Your farm is worth this amount, we are going to assess a 55-percent tax, they will say: We cannot pay that. We have it in land but not cash. So they have to sell land, assets, and equipment to pay the IRS. Here we are trying to promote the intergenerational transfer of farms and ranches as part of the tradition and backbone of our economy, and this is the absolute opposite of what we ought to be encouraging. We want policies that encourage the situation that family farms and ranches stay in the family.

Having a confiscatory tax like this that would apply a 55-percent tax to assets above $1 million will have a crushing impact on farms and ranches in my State and, I submit, to other States.

Mr. WICKER. If the Senator will yield for a moment, this has also the same effect on mom-and-pops, family businesses that may have been in a family for generations. We are going to impose a 55-percent confiscatory tax on them.

I am just speechless that this bill has now gotten to the point where it brings us back to the earlier punitive estate tax rates.

Mr. THUNE. If I might say to my colleague from Mississippi and to the Senator from Indiana, to put this into perspective, the proposal in the Democratic bill, which would take the exemption back down to $1 million and raise the top rate to 55 percent, would apply to 24 times the numbers of farms and ranches as does current law. In other words, it increases by 24 times the number of family farms and ranches that would be impacted by the estate tax relative to where we are under current law.

As the Senator from Mississippi pointed out, lots of mom-and-pop businesses—13 times the number of small businesses—would now be subject to the death tax as is the case with current law. So if we look at the impact of this, certainly on farm and ranch country—and I see that Senator MORAN is here, who represents a lot of farmers and ranchers very much like those in my State of South Dakota—this is profoundly impactful. It would have a very negative impact on farm and ranch country—and I also argue, as the Senator from Mississippi pointed out—and on a lot of mom-and-pop small businesses.

Mr. COATS. I thank my colleagues for joining in on this. They made the point that I think outlines the fact that many of us are stunned with the proposal being brought forward for a vote today to proceed on this bill, which if passed, will put a 55-percent tax, when one dies, on all the work and all the profits and all of the investments they have made throughout their lifetime, which they have paid taxes on over and over and over. The government cannot ever seem to get enough. The Senate Democrats are now proposing to raise the death tax from 35 percent, the current level, to 55 percent.

Let me personalize this for a moment. We have some very close friends who, throughout generations, have been handing the farm down from one generation to another. They have suffered through the hard times, the droughts, the hail storms, the tornadoes, and they have also benefited from the good times when the rains have come and the soil was good and the yield was good. Yet right now they are suffering in a way they have not in more than a half century with this drought that is unrelenting all across the Midwest in this country. It takes in almost the entire Farm Belt of the Midwest and Upper Midwest, where most of our grain and products are grown.

At a time like this, to bring forth a piece of legislation that basically says not only are you being nailed by the weather—and we, obviously, cannot do anything about that except provide some basic form of financial relief to get through this particular time; and that is what I talked about earlier—but we are going to nail you with a tax that, when you die, will basically prevent you from passing on your business or your farm to the next generation.

As I said, to personalize it, we have some dear friends—more than one couple. I have also talked to people throughout Indiana where the pride in holding their ground as part of their extended family, covering more than one and two generations, and the work they have put in, in order to preserve that hand-down to their children and to their grandchildren now goes up in flames because when they die, if their farm is valued at more than $1 million, they are imposed with a 55-percent tax on the value of everything over $1 million.

People say they are millionaires. No, they are not. They are sitting on property that might be valued at that, but they might be losing money. For sure, this year, they are not going to make any money because they have had to plow their corn under because it hasn't gotten the rain and moisture it needs and it will not grow. We don't yet know the extent of this disaster, but to preserve that within the families and hope for better years to come, that will not happen because, as the Senator from South Dakota said, they are going to have to value their land—the IRS will value their land at a price that the only way they can pay for that is to sell their assets.

Why in the world would they do that at a time of economic turmoil and cause a drift back essentially into recession? This country is not in good economic shape. Compared to Europe, we are in better shape, but if you look at the numbers, they are not trending the right way. Why at a time like this would you walk onto the floor of the United States Senate and put up a bill that will raise taxes on people who are already suffering from 35 percent to 55 percent? How high does it have to go? How many taxes have to be imposed on

the American people before they say that is enough? They are saying: Clean up your spending process in Washington so we don't have to pay so much in taxes to cover all you are doing there.

My colleagues would like to continue to respond. I want to turn to my colleague

Mr. WICKER. If I may, I will make one point. I know my friend from Kansas also wants to join in.

This could only hurt job creation among small businesspeople and small farmers. I can't imagine why they want to do this. We have had 42 months of unemployment at over 8 percent, the longest period in peacetime and modern history. To put this tax on farms that create jobs and small businesses that create jobs, which is where most of our new jobs come from, is just unthinkable. I cannot imagine that it would do anything, if it were signed into law as the President wants to do, other than make that 8.2 percent unemployment rate go even higher.

Mr. COATS. Mr. President, I now turn to my colleague from Kansas, and I tell him about one of the families very close to us—my wife grew up with her lifetime friend, who married a farm boy from Kansas. They ran a farm near Norton, KS. We speak with them regularly. Even though we are city people, we have learned from them the sacrifice that goes into maintaining a farm, the suffering that occurs from the whims of the weather, the prices of the crops. We see them struggle and struggle, and this obviously will not be a good year. But this is a farm that has been passed down to the third generation now. They own a lot of land.

As the Senator knows, Kansas has a lot of land. And they didn't get the rainfall we did. I know this is a situation that ends the dream that has been passed down from generation to generation because on the death of the current owners of the farm, the tax on that would force them to sell their land.

Mr. MORAN. Mr. President, I thank the Senator from Indiana for yielding. Yesterday, in Norton, KS, the temperature was 118. I read the story where they just watched the thermometer go up degree by degree, and it has now been more than a month in which the temperatures in our State have exceeded 100 degrees. Certainly, it has been more than a month in which we have had little or no rainfall in most places across the State.

The drought is real, and it puts people in a different mood. There is always optimism on a farm, optimism on a ranch. My small business men and women in Kansas are optimistic that when they get up and go to work every day, it will be a better day at the end of the day, and tomorrow will be better than today, and next month will be better than this month. I can tell you, with the weather pattern we have had in the Midwest this summer the optimism begins to disappear.

Today we have come to learn just one more thing that is now going to be oppressive to farmers and ranchers and small business men and women in Kansas and across the country. We started this year with a discussion about something the Department of Labor did—the proposed rules to prohibit restricting a young person from working on a family farm. We have had a series of regulations from the EPA and others that make it so difficult for a small businessperson or a farmer to succeed. Now we learn today the proposal that we are going to revert back to days gone by in which a $1 million estate will be subject to a marginal tax rate of 55 percent.

It has been a series of things in the last year from this administration and this Congress that send a message to farmers and ranchers in Kansas and small business men and women in our State and across the country that their value, their work ethic, their efforts will not be rewarded. Not only will they not be rewarded, but we will discourage them. We will not reward the work they do each day, the work they are optimistic about.

The Senator from Indiana is so correct in this sense. Every farmer and rancher I know, at the end of the day their goal is to see that they have done work that day not only to feed, clothe, and provide energy to the world, but to see that they have a farming operation, a ranching operation that is of the nature that it can be passed on to the next generation of Kansas farmers and ranchers. It is the sense of satisfaction that comes in a farmer's life when the son and daughter who follow them have that ability.

Nothing is easy in agriculture, and there is not a thing any day that is easy on a farm or ranch across the country. With our weather patterns and soil conditions, it takes a lot of drive, effort, stamina, and discipline to survive. Much of the day is spent trying to survive. Here we see a series of things as we arrive today and discover that we want to increase the tax on those people who work hard every day and whose goal it is to tell their sons and daughters: I have a farm or ranch that can be yours someday, and you can take over where I left off.

Why is that important? That is traditionally and historically how farming has occurred. It is passed down from great-grandparents to grandparents to parents to children to grandchildren, and there is pride and satisfaction that comes from that.

We are here today to make certain the Federal Government doesn't create one more obstacle toward that goal of making certain the next generation of Kansans has the opportunity to work to earn a living and feed the world on their own family farm or ranch. It is so surprising to me that there would be anyone who believes these individuals, these business operations, farms or small businesses, ought to be singled out and treated in a way that discourages them from accomplishing that American dream of passing that farm and ranch on to their kids and grandkids. I hope our colleagues see the light and understand how important this is in rural America. And not only is it important in rural America, but what happens in our part of the country determines whether we have the ability to provide food and fiber for the country and the globe.

Mr. COATS. Mr. President, whether it is the family my wife grew up with and knew or the one in Posey County, IN, who brought their neighbors together for a meeting a few months ago or whether it is a family or business owner or small businesses across the State of Indiana that I have talked to repeatedly, they basically say: I resent being called rich by the President, who said they need to pay more in taxes. We have been working our tails off for generations, and we have been paying our taxes faithfully for the profits we made—the years we have made profits. Yet we are being classified as some type of an elite group that is not paying their fair share. We can look back and we read statistics, such as 47 percent of Americans aren't paying any income taxes, while we are out there creating jobs, building a business—with sometimes good years, sometimes bad years—over a lifetime. There is value added to that business, but that value is in machines, it is in buildings and land, in terms of farmers. Yet that gets evaluated when we die at a level which means we can't pass it on. We can't afford to pass it on to other generations and we have to sell it. The Federal Government, having taxed us all our life on the profits we have made—the income taxes, the Social Security contributions, the Medicare contributions, the sales taxes, the personal property taxes, the car taxes, the boat taxes, if one has a boat, the excise taxes, the liquor taxes, the beer tax, the sales tax and on and on and on it goes—it is not just the income tax we are being taxed on. There is not a tax that government doesn't like or want to impose on the American people.

Why would anyone, of either party, at a time of economic distress—when the United States is the only country struggling to stay ahead and perhaps lead the world back into economic growth, at a time when we are seeing signs of a potential double-dip recession facing us, and the news in the last few days has been dramatically bad—want to bring a bill to the floor of the Senate that says you are not paying enough if you own a small business or if you own a farm. You are not paying enough, so we think 55 percent is a fair rate—55 percent if you die, after you have paid taxes all your life to a Federal Government which is bloated and duplicative.

The bureaucracy here is out of control. Congress hasn't lived up to its responsibility to take any kind of sensible fiscal measures that will get us back on track in terms of battling our

budget and not spending more than we take in. Throughout all the efforts that have taken place throughout 2011, and some in 2012, we still have not come up with a program, with a budget arrangement which will put us on the path to fiscal health. Yet what is the response from the other side? The response is: Let's impose another tax. So at 4 o'clock today, Members are going to come down and vote in terms of whether they want to impose a 55-percent death tax on people who are already being taxed to death.

I will yield the floor, but then I am sure my colleagues will want to ask for their own recognition.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. THUNE. Mr. President, I think we have about one-half hour left; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. THUNE. Mr. President, I ask unanimous consent that I be able to enter into a colloquy with my colleagues for the remainder of that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THUNE. Mr. President, I first want to thank the Senator from Indiana for his very astute observations about the impact of these taxes on hard-working men and women in this country. I would say to my colleague from North Dakota, who is now here, and the Senator from Kansas—both of whom represent very rural States—this is not an issue that is inconsequential. A lot of people think people who have $1 million in assets are rich. But as I said earlier, in most farm and ranch operations, 80 percent of the value of that is in real estate. So they may be land rich but cash poor.

When we talk about imposing a tax of this size on hard-working farmers and ranchers in this country, we are getting at the very heart, as the Senator from Kansas pointed out, of their ability to transfer that farm or ranch operation to the next generation. That is what is at stake.

The Senator from North Dakota is here, and the farmland in North Dakota is similar to what we have in South Dakota, except they have energy. They found oil in a few places in North Dakota, which drives those land values up even higher. We would like to see some of that in South Dakota, but in either of the Dakotas or in Kansas we have seen land values going up in the past few years and it takes a bigger operation to make it work to survive in modern agriculture. So the size of these operations, in many cases, exceeds by multiples the million-dollar exemption that would be allowed by the Democratic proposal, and everything above that, as was said, would be taxed at 55 percent, which would be absolutely disastrous for American agriculture today, and that is on top of the other taxes.

This proposal also raises taxes on about 1 million small businesses that employ about 25 percent of the American workforce. It raises taxes on capital gains and dividends and then it puts this death tax back into place with the million-dollar exemption. As I said earlier, if we look at the number of people who would be subject to and covered by the death tax today, this proposal would increase those people subject to whom the death tax would apply by 24 times—a 2,400-percent increase in the number of people who would be subject to the death tax, according to the Joint Committee on Taxation. That is the group that studies these issues and that looks at the impact of tax policy. According to the Joint Committee on Taxation, 24 times more farmers and ranchers would be subject to the death tax than are subject to it today and 13 times more small businesses. That is the scale of the proposal the Democrats have put forward.

I would say to my colleague from North Dakota, my neighbor, that I assume, as he talks to farmers and ranchers in his State, he gets the same sort of feedback I do in visiting with people in South Dakota; that is, they are very concerned about what would be a huge tax increase, so to speak, when someone passes on and tries to pass that operation on to the next generation.

Mr. HOEVEN. That is exactly right. I am pleased to be here with my esteemed colleague from South Dakota as well as my esteemed colleague from Kansas. I wish to commend Senator COATS from Indiana for the strong and important points he made here as part of this discussion on the Senate floor. This vote we will have on the Tax Code and its impact on farming and small businesses across this country is certainly important.

But Senator COATS also made a very important point a few minutes ago; that is, we already have farmers and ranchers—our producers—in a situation where they face difficult times because of the drought. So I join him in calling on our House colleagues to act on the farm bill. I think it is very important we pass a farm bill, as we have in the Senate.

I had an opportunity to work on that farm bill with Senator THUNE of South Dakota and others. We passed a good package in the Senate. The House Ag Committee has passed a good farm package as well. We need that to pass the House, get it into conference, and get a farm bill done for our producers. I think that is incredibly important always because good farm policy benefits every American. We have the highest quality, lowest cost food supply in the world thanks to our farmers and ranchers. Particularly now, with our farmers throughout the country looking at this drought, it is very important they know we have a sound farm program in place for now and for the future.

As regards this vote in the Senate today, whether it is the good Senator from Indiana, from Kansas, from South Dakota or others, this is incredibly important. We are looking at a bill that is essentially a plan put forward by President Obama that will raise income taxes, that will raise taxes on capital gains, and that will raise the estate tax.

I was on the floor this morning, as others have been, talking about the impact that those tax increases will have on small business when we have 8.2 percent unemployment. We have had 8 percent unemployment for more than 40 straight months. To a large degree, people are focused on the increase in the income tax and its impact on small business, but the impact from the estate tax—from the death tax—is a big deal, and people need to understand what the ramifications are if that estate tax is increased.

We understand it very well in our States because of the case we are making right here. Look at how this affects our farmers and ranchers. We are talking about going from a situation where when a farmer or rancher, looking to pass on that farm or ranch right now, is taxed, from an estate tax standpoint, on the amount above $5 million and then it is set at a 35-percent rate. But the plan being put forward today—and being put forward essentially by the President and by the other side of the aisle—would change that to go back to anything over $1 million would be subject to the estate tax and then would be taxed at a 55-percent rate. So just do the math; right?

That is the point the good Senators from South Dakota and Kansas and others have been making. It doesn't work. It just doesn't work. In other words, that family can't borrow enough money to pay off the estate tax and keep the farm because they can't afford to pay back that level of debt. The farming operation will not sustain it. The ranching operation will not sustain it. You can't borrow that much money to try to keep the farm in the family because you can't afford to pay the debt. As a business enterprise, it can't service the debt. So what happens? The only alternative is to sell the farm.

So we have farmers who have been farming for generations—their father, their grandfather, grandmother, mother, relatives all the way back—and now their kids are farming with them. Their children are involved in that farming enterprise, and they want to continue farming, but that is not going to happen because they are not going to be able to afford the estate tax. So this is exactly what we are talking about when we talk about how raising taxes will have a detrimental impact on our economy.

We have talked about this in terms of small business and we have talked about it in terms of the income tax and the ramifications on capital gains tax, but I think this demonstrates how clearly it truly has an impact across this country on all small businesses because I think all of us, from our States and from many other States, know

these farm families. We know this is not just a job or a vocation, it is a way of life, and it is a way of life these families have been counting on.

I wish to make one further point before I turn the floor over to my esteemed colleague; that is, these farm families or any other small business, when we look at the estate tax, we have to keep in mind they are passing assets, but throughout their entire life they have been paying taxes. They have been paying income tax, sales tax, property tax. They have been paying taxes all the way along. So it is not as if they are just handing this stuff on to the next generation without paying taxes because they are not paying a death tax. They have been paying taxes on it all their lives and not just one or two taxes but multiple taxes. So this property has been taxed their entire life. They have worked their entire lives to pay those taxes and would now face a death tax that would force them to sell their business. That is not right.

You know what. It is not right if it is a farm or a ranch or, frankly, any other kind of small business in this country because this country is about small business. That is the backbone of our economy. It is the economy of this country, and that is exactly what we are dealing with.

That is why we put forward an option—and we encourage our colleagues to support this option—that will continue the current tax rates, that will not raise tax rates, and then we will work on extending those current tax rates for 1 year while we engage in progrowth tax reform. We close loopholes and we get more revenue from economic growth, from a growing, more vibrant economy that puts people back to work rather than raising taxes.

With that, I yield the floor for my esteemed colleague from South Dakota.

Mr. THUNE. I appreciate the remarks of my colleague from North Dakota who understands this issue very well, representing a State that is composed largely of family farms and ranches and small businesses. It is similar to my State of South Dakota, similar to Senator MORAN's State of Kansas. We share not only a lot of commonalities in terms of how we make our living but also in the kind of hardworking people who are the backbone, as my colleague said, of our country.

There is a work ethic among people involved in working the land, people who are involved in agriculture, that we hope gets rewarded. One of the ways that gets rewarded is when someone works very hard all their life—and that is very true in agriculture. There are very few jobs in agriculture that are easy. It is a hard way to make a living. The men and women who are involved in production agriculture have, in my view, among the best work ethic in the country, and we want to see that hard work rewarded. One of the ways we hope that gets rewarded is when it comes time to pass that operation on, to allow that operation to be handed off to the next generation so they, too, can benefit from that hard work and build that enterprise and grow the family farm in a way that is good for our economy generally and certainly good for the economy in places such as North Dakota, South Dakota, and Kansas.

That is why a proposal such as this is so devastating, because you are subjecting 24 times more farms and ranches in this country to the death tax than are currently exposed to it under current law.

This is a dramatic increase in the number of folks who would be impacted by the death tax—obviously a significant increase in the amount people are going to be forced to pay when the time comes. I think at a time when we are facing unemployment now for 41 consecutive months over 8 percent, some 23 million Americans either unemployed or underemployed, and some Americans have been unemployed for a longer period of time, one thing we don't need in the middle of this kind of economy is a big fat tax increase.

That is what the Democratic proposal does—not just on the estate tax but also the marginal income tax rates going up on small businesses on January 1. There will be almost 1 million businesses impacted by higher rates, which employ 25 percent of the workforce in this country, as well as increasing taxes on investment, on capital gains, and dividends.

A big fat tax increase in the middle of a very fragile economy is the wrong prescription. I would hope, as the Senator from North Dakota suggested, that our colleagues on both sides will support the alternative we will put forward which will extend the rates for all Americans, so not any American is faced with higher taxes come January 1 of this year. I think it would be devastating for our economy to do that. Certainly it would be devastating to the family farms and ranches in places such as the Midwest.

I know my colleague from Kansas understands very well, because he represents the same kind of people we do in the Dakotas. They are hard working. All they want to know is that they have an opportunity to be able to benefit from that hard work and hopefully pass it on to the next generation when the time comes.

Mr. MORAN. Mr. President, I am pleased the Senator from North Dakota joined us, because I think he made a very valid point, something I should have explained better. It is not just the fear of having to pay more taxes, but it is the reality you don't have the income to pay the tax, therefore requiring the sale of the assets—the sale of the farm machinery and equipment, the sale of the land, the sale of the cattle.

While no one wants to pay more taxes, in this case it is even more onerous in that you have value to assets. You have some wealth in the land and the equipment and the cattle, but never the sufficient income to pay the tax. Therefore, the sale of those assets is required to pay the tax man; and, therefore, you don't have those assets I was talking about earlier to pass on to your children and grandchildren.

This is not just about: I already pay enough taxes; I don't want to pay any more; I can't afford any more. This is the reality: I don't have the ability at all to come up with the income, unless, as the Senator from North Dakota says, I go to the bank and borrow the money. But then I don't have the cashflow to repay the loan, and therefore I sell the property.

This comes at a time when many Kansans—farmers and others—would complain about how business and agriculture keep getting bigger and bigger. The reality is we would love to have those farming operations, that family-sized farming scale that is so important to the cultural and economic vitality of communities across Kansas and across America. But because we have laws such as the estate tax, we sell those assets to bigger entities that can better afford it, and we reduce the number of family farms that most of us believe are so important to who we are as Americans, and certainly so important to the economy and the cultural nature of rural America.

I have heard the discussion here on the floor today about the farm bill. I know my colleagues, the Senator from South Dakota and the Senator from North Dakota, have encouraged passage of a farm bill by the entire Congress. But this farm bill, let me remind you, is a reduction in farm bill spending only on the side of production agriculture, of family farms across Kansas—a reduction in the amount of money available under the farm bill of $23 billion.

Farmers in Kansas tell me they are willing to take their so-called hit to help reduce the country's fiscal condition. We are willing to take the $23 billion out of farm programs, but don't do other things to us that eliminate or reduce our ability to earn a living.

So here comes Congress, a few weeks after we pass a farm bill reducing the amount of money available for farm programs by $23 billion, saying, Oh, let's do something else damaging to agriculture, to farmers and ranchers. Let's impose an estate tax in which the threshold is $1 million and the marginal rate is 55 percent.

So it goes back, contrary to what farmers say, which is: We will take our hit; we will contribute to getting this country's fiscal house back in order, but let us have the opportunity under a free enterprise system to succeed. And now we have one more handicap, one more hurdle to accomplishing that.

I was on the Senate floor yesterday talking about this issue and particularly talking about a tax system. We need dramatic reform in our Tax Code. The idea that we would be extending the current tax law for the foreseeable future, this Congress, this President

ought to be serious about scrapping the Tax Code and starting over with something much different. I spoke yesterday in favor of the fair tax. But regardless of what the conclusion is, we ought to have a simpler, fairer, more understandable Tax Code. We ought to have the circumstance in which most taxpayers don't have to seek professional advice to figure out what it is they owe or to spend their whole time as a farmer or rancher or a business person trying to figure out, What do I do today that will have a positive or negative consequence upon the tax bill at the end of the year?

We Americans spend a huge amount of time and a significant amount of money in which we pay professionals to advise us how to avoid paying taxes. We desperately need a whole new Tax Code that is fairer, simpler, much more straightforward and understandable, so that we spend our time growing the economy, as compared to spending our time trying to figure out how to manipulate the Tax Code and, in the process, lose our individual liberties and freedoms because we are all about trying to make certain that we comply with the Tax Code as compared to determining what is in the best interest of us as citizens, us as individuals, as family members, and us as business owners.

So while it is important that we point out the onerous nature of the estate tax and what is about to happen here in a vote in about an hour, we ought to remind ourselves that there is a much more important goal than this Congress and this President have been willing to address, and that is, scrap this Code and get something that makes sense to the American people that is understandable, affordable, and that pays the necessary amounts to fund those programs required for us to be a successful country.

I yield for the Senator from South Dakota.

Mr. THUNE. I thank the Senator from Kansas. I too look forward to working with him on fundamental tax reform, because that is what we need to do to get the economy turning around. I think you will see tremendous economic growth. I think you would see our economy unleashed if we would reform our Tax Code in a way that broadens the tax base and lowers the rates. The Senator from Kansas talked about the fair tax—certainly another proposal out there that many people support. But in any event, we do need a fundamental tax reform. And it would be nice if, when we do that, we do away with the death tax completely.

With that being said, what is being proposed here today, as we have all pointed out, is something that in many cases in places such as Kansas and South Dakota—and our colleague, the Senator from Wyoming, Senator BARRASSO, is now here, who represents a rural State, a State where you have a lot of folks with big expanses of land. There are many people in agriculture who are land rich and cash poor.

The Senator from Kansas pointed out that when you have an operation that exceeds that $1 million threshold that is being proposed in the Democratic tax plan and then everything above that in terms of the value of your assets is taxed at that top marginal rate of 55 percent, then you are in many cases having to sell pieces of your operation in order to pay the IRS—or, worse yet, going to the bank to borrow money, in which case you may not be able to repay it.

But this creates all kinds of problems for people who are involved in the day-to-day production of agriculture when it comes to keeping that operation in the family.

I appreciate the observations of the Senator from Kansas and his insights based upon his experience and the people he represents. I too look forward to the day when we are debating fundamental tax reform. But until that comes, we shouldn't be raising taxes. We shouldn't be raising taxes in this type of an economy where we have as many people unemployed as we do, we have sluggish economic growth. And we certainly shouldn't be punishing family farmers and ranchers and small business people with what is a punitive death tax proposal coming out of the Democrats in the plan we are about to vote on at 4:00.

I yield to my colleague from Wyoming who is here, again, representing a State much like mine and much like the Senator from Kansas, who has a lot of people who would be impacted by this Draconian tax.

Mr. BARRASSO. Mr. President, to follow up on that, clearly in the great State of Wyoming there are lots of farmers and lots of ranchers. It is our heritage, it is our economy, it is our future.

Many people—we talked a little bit about that—to keep these operations going actually have a job in town so they can make enough money to help pay the mortgage and keep things going. But the price of land continues to go up, and on paper they have quite a bit of resources. So to think that we are in the next hour going to vote on a proposal by the Democrats to bring back the death tax is something that should be a surprise to all Americans. It is to farmers and ranchers and all small business owners.

I think of the movie theater owner in Casper I have known for over 20 years. I have operated on him, fixed his ankle when he broke it. He started with one small theater. He was the guy taking tickets, making the popcorn. Other people near him helped out and made it all work. He expanded to a second movie theater, and then again and again. He built the buildings, he built the business. He made it work. He was there early. He was there late. He was there with a broom.

But when I hear the President say, If you have a business, you didn't build it; someone else did, I ask the President to come to Casper, WY, to meet the business owners there, meet the guy who has a dry cleaners, meet the florist, meet the person with the car wash, meet this owner of the movie theaters, and then go around the community and the outskirts of the area to take a look at rural Wyoming, at the ranchers and farmers, and hear their stories, hear of their life's work, hear about what they have put together.

To see a proposal on the floor of the Senate that says, We don't care what you did, how hard you worked, what the impact is going to be on leaving this legacy to your family, we are going to bring back the death tax and we are coming for you. It is something that people back home, in all of rural America—and I would think in many places around the country—would find shocking, astonishing, and very sad as a commentary of what role Washington and government is trying to impose upon their lives, to take these levels of taxation to much higher levels where the death tax hits at $1 million and 55 percent at that level, from where we are now, where it is at $5 million and indexed for inflation because we see inflation and a maximum of 35 percent. I am astonished that people would actually consider voting for that. But yet that is what the Senate majority leader has been proposing, and that is what we are going to vote on within the next hour.

It is interesting, I was driving through the Hot Springs County, Thermopolis, WY, area a couple of years ago talking to a farmer. He said, You know, I could fight the weather or I could fight the government, but I couldn't fight both. And he got out of it.

A lot of families haven't gotten out, and they continue. Now, once again, the heavy hand of government comes with this crushing blow in wanting to raise this sort of tax on families all across the country, on people who have built their own businesses. In spite of what the President may say, these are the people who made this happen.

After the President's comments last week, I was in Thermopolis for a class reunion over the weekend. They have all the different classes come together for a big picnic and cookout in the park. My mother-in-law is a member of a class that graduated quite a few years ago. It was her reunion as well. We were talking about the family bakery that she had worked at as a little girl. The family actually lived above the bakery. They got their food from the bakery because they ate what didn't get sold. They worked every day. She talked about her father working so very early in the morning, through the day. For lunch she walked home from school to be able to eat at the bakery. That is a family who built that business.

We talked about it, and I asked, Well, who else worked there? She started to run through the names of the people in the family who built and contributed to this bakery business called the Wigwam in Thermopolis, WY. She talked

about Sonny who had worked there. There are a lot of businesses and a lot of farms and a lot of ranches—I see my friend and colleague from Kansas here—where there was a Sonny who worked on that farm or on that ranch.

Who else worked there in the bakery? Well, Shorty worked there too. I think every community has a Shorty who worked in a business that made something happen.

I said: Who else? She said: Sandy. I know there is a Sandy in every community. Yet the President thinks they didn't do anything.

Who else? Smokey. We have all these different names of people in the family who made this business, helped to put it together, and built it. Those are the people who made this business. Those are the people the President seems to have forgotten or never met in the first place. Those are the people who built the businesses of this country. It wasn't somebody else; it was them. It was parents who got up early and worked hard. Their kids worked there too. Everyone in the family participated. Everyone contributed. Every community in this country has someone like that.

Now to see the Democrats coming forth with a proposal that says: You may have built a business—well, they may not believe that family actually built the business—and we just want to tax you more when the person who really put the sweat equity into it dies. The family maybe ends up having to sell, as we heard from the Senators from Kansas, North Dakota, and South Dakota. Why? A lot of it is because this institution can't control the spending, so they are always looking for new ways to tax other people.

The problem is not that we are taxed too little; it is that we spend too much in this institution. Congress spends too much, and the President always seems to find another way to spend more money. That is what we see, ways to continue to find money and then spend, borrow, and grow government bigger and bigger. That is not what built this country. That is not what made this country great. It was the families with ranches, farms, and small businesses all across this country who put in hard work, dedication, and commitment to getting up early in the morning, working all day long and well into the evening.

I ask my friend and colleague from Kansas, I am sure the Senator can think of families and picture those families where folks actually got up before sunrise and worked through the end of the day and after the Sun went down to building something, to make something of themselves and their family, and to contribute to the community. Now we see government with its heavy hand coming to say: The death tax is here. We want to raise the death tax, and we are coming for you.

The PRESIDING OFFICER (Mr. MERKLEY). The Senator from Kansas.

Mr. MORAN. Mr. President, I certainly thank the Senator from Wyoming for his comments. Those of us who had the privilege of growing up in small town America know those names the Senator from Wyoming indicated. It is one of the advantages of that small town life.

Every day we see those families who own a business or have a farm or ranch. We know who they are. We know who works there, we know what jobs are created by that business or that farm, and we have the understanding of how important that is in the community if there is going to be jobs in our town. It is that small businessperson who gets up early, works late, does whatever is necessary to make sure they are a success in that business. Sometimes they are successful and sometimes they are not. Every day they fight the fight to make certain they put food on their family's table, they have the ability to save for their children's education, for that better life, and save for their own retirement.

Again, just like we talked about the farmers and ranchers who are willing to forgo things from Washington, DC, to help contribute to getting our debt under control, get our fiscal house back in order, make America what we know it can be—they are willing to forgo those things that Washington seems to want to give us. All they ask is, Please don't put more burdens on us. Don't make it more difficult for us to succeed.

We see the example today where the Democrats' tax proposal creates a huge burden on a huge sector of this economy and on people who are so important to us as to whether we are going to have jobs created and the opportunity for every American to pursue the American dream.

Mr. BARRASSO. 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.

Mrs. BOXER. I ask unanimous consent that the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Mr. President, I would ask unanimous consent that I be recognized for 2 minutes followed by Senator CARDIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Mr. President, I think it is important to simplify what is going on with these two proposals, the Republican proposal and the Democratic proposal. So I am going to attempt to do that. We have two packages of tax cuts. The Democratic package gives everyone a tax break on their income tax for the first $250,000 of income. So everybody gets that tax break. The main difference is that under the Republican plan, they give more to incomes above $250,000, where we say everybody gets a tax break up to $250,000, and after that we go back to the tax rates of Bill Clinton when we created 23 million jobs, balanced the budget, and created a surplus.

Now, in order to do this, the Republicans don't do some of the things we do for the middle class, which is an extension of the tuition tax credit and a generous child tax credit. So that is the difference. Their package costs $50 billion more. If we figure we do this over 10 years, we can do the math. That comes to $500 billion. But let's just take it to 1 year. The $50 billion cost of their package, if we didn't go that way and supported the Democratic package, we could use that to either reduce the deficit or to soften the sequester.

We have people running all over television saying we are ruining the country with this sequestration. The Republicans came up and supported that idea of automatic spending cuts. We can take the $50 billion if the upper income would pay their fair share and cut the automatic spending cuts in half.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. CARDIN. Mr. President, I thank, first of all, my colleague from California, Senator BOXER. I happened to be on the Senate floor and listened to my Republican colleagues as they were talking about the estate tax. I think we have to clarify what this legislation is all about that we will be voting on in a few minutes. It is an effort to fully protect about 98 percent of Americans from the uncertainty as to whether their income tax will go up on January 1. That is what this bill is about. There are a lot of other problems we have, including the fiscal cliff we have been talking about.

I understand the concerns we have with the estate tax. We have a problem with the physician reimbursement under Medicare. We have problems with the sequestration orders and the impact it would have on all of our agencies whether it is national security or the domestic budget. We have concerns about extending tax provisions for the energy sector of our economy. We have the uncertainty of whether we will extend the unemployment insurance additional benefits. All of those are legitimate concerns.

I hope the Republicans and Democrats will come together to deal with the deficit. That is what we should do. I can tell everyone I have been one of those Senators meeting with Republicans, meeting with my Democratic colleagues, and that is what we want to do. We want to give predictability to the American people about a credible plan to deal with our deficit.

I was proud to be one of the Democrats on the Budget Committee in the Senate. The Presiding Officer helped to say let's use the Simpson-Bowles model to try to get a bipartisan agreement on a budget document much earlier this year so we could come forward with a credible plan to deal with the deficit. We are now just a few weeks away when Congress is likely to go out of session for the November elections. We have heard in the House they are talking about leaving the third week of

September. So what we are trying to do—and this is a pretty simple bill—is to say for the overwhelming majority, 98 percent, let's at least give the certainty to the people of our country so they know on January 1 their tax rates will not go up. Why do we want to do that? Because predictability gives confidence. Confidence allows people and consumers to buy and helps to grow our economy. That is why we do it.

Sure, it is frustrating we can't deal with everything right now. We want to deal with everything, but we are not going to be able to come to that political agreement. Can't we at least come to the agreement to protect the vast majority of the taxpayers of this country?

The bill we will be voting on very shortly says we would not let the personal income tax rates go up for those whose incomes are up to $250,000. As Senator BOXER pointed out, every income-tax payer gets the advantage of it. If you make $1 million, you get the lower tax rates on the first $250,000. That way everyone gets the advantage.

We also protect the refundable child tax credit because we know American families depend upon that refundable tax credit. I want to thank the majority leader for putting this into the bill. That is part of a family's planning process to know whether they can buy consumer goods. We included that in the legislation that we will have a chance to vote on. We included the American opportunity tax credit. The Presiding Officer is very involved in that. That is to help families afford college education.

I was at a university meeting over the weekend and looked at the debt that our college graduates are inheriting as they go through college. Well, we extend in this bill the help we give to working families to be able to afford a college education for their children, which helps to build this great Nation. It helps to make us more competitive. We have also included in the legislation the small business expenses because we want to give predictability to small businesses to go out and buy capital assets so they can turn around and help our economy grow.

So I just wanted to point out some pretty simple choices. Do we believe we should give the predictability that I think everybody agrees on? Why can't we keep the bill simple and get it done? My Republican colleagues want to find some way to be able to vote no to help the overwhelming majority of the people in this country.

I will say this again. If you make $1 million, you are going to get $6,000 of relief under this bill. Isn't that enough? Then let's come together and hopefully use the remainder of this year or early next year to get a credible plan and get our deficit under control. Let's give confidence to the American people so we will not face that fiscal cliff, and we will get our job done. The purpose of this is to create jobs. We need to create more jobs in our country.

I wish to share with my colleagues this photograph that was taken. I will ask my colleagues where they think this photograph took place, with many people sewing and manufacturing clothing. We can see the U.S. flag there. The next question is, When do my colleagues think this photograph was taken? The 1920s? The 1930s? I remember growing up in Baltimore and seeing all of the different clothing manufacturers located in my city. So perhaps this is a historic photograph. It is not. It was just recently taken in Westminster, MD. It is the English American Tailoring Company, with 380 jobs, producing the finest suits in the world.

I show this photograph to demonstrate that we can succeed in manufacturing in America. In the last 28 months, we have seen an increase of 500,000 jobs in manufacturing in America. That is the largest growth since 1995 in our country. We have to fight for the jobs and keep our jobs here in America.

I had a chance to talk with English American Tailoring Company union employees. They are happy not because they are happy to have a job—everyone is happy to have a job—they know they have a good job in a company that cares about them, and they take pride in what they are making. Make it in America. In Maryland, in the United States, we have a company that makes the best custom suits in the world because they are American made and because they have the best technology and the best quality of any company in the world.

Let me tell my colleagues something else that might surprise them. They had a 15-percent increase in sales this year. They added an additional 50 employees this year. They are now making plans to break ground on a training facility in Westminster, MD. They have confidence in their ability to produce the right product for America and to create the jobs and keep the jobs here.

We have done this over and over in America. I know my colleagues have taken the floor to talk about the auto manufacturing industry, with the best sales in 5 years. Chrysler's sales have increased 34 percent; General Motors is up 12 percent; Ford is up 5 percent; 10,000 new jobs at Ford Motor Company; 4,000 coming from Mexico back to the United States. Make it in America. Our U.S. auto manufacturers are making it in America. We can create more jobs if we just create the right climate.

We need to help small business. I agree that is where most of the job growth will take place. That is where most of the new innovation comes from. So why don't we take up sensible legislation that the majority leader talked about that would reward small companies that are creating more jobs by giving tax credits? I am also proud of a provision in that bill to increase surety bonds for small companies so they can compete. That is what we should be doing.

We need trade policies. I want to give another bit of good news. I see Senator NELSON is on the floor, and he was instrumental in the citrus trust fund. But we have the wool trust fund and the cotton trust fund also approved by the Senate Finance Committee. Why is that important for this contract we have here? This company, English American Tailoring, makes quality suits, but they have to import the wool because the wool is not available in America. Here is what happens. The tariff today on that wool coming into America is higher than the finished suit, if it was imported into America, which encourages manufacturing outside of America. That makes absolutely no sense at all. That is why we have a wool trust fund—to correct this inverted tariff so that we can make it competitive to manufacture in America. That is why we have it. I am proud that by a unanimous vote, we are recommending that from the Senate Finance Committee. I hope we can find the cooperation on this floor to get that done.

I also want to make sure that the citrus industry in Florida is taken care of, so we take care of the citrus trust fund and the cotton trust fund. Shirts are manufactured today—my friend from New Jersey, Senator MENENDEZ, helped on this, and Senator SCHUMER helped a great deal with the wool trust fund. We make cotton shirts in New Jersey. We can make those shirts because we can manufacture more efficiently than other countries, but we can't have an inverted tariff. We can't afford to make it more expensive to manufacture than import. That is what that is about. These are commonsense policies.

We need tax policies that make sense. Senator STABENOW has been working hard on the Bring Jobs Home Act so that we actually reward companies that bring their jobs back to America and we don't allow taxpayers to foot the bill for those who want to take their jobs overseas.

The bottom line is that we can make it in America. We can make it in America. We are doing that in Maryland, and we are doing it throughout the country. We need sensible policies.

We also need the confidence of consumers about the take-home pay they are going to have in order to be able to buy the suits manufactured by English American Tailoring or other companies in our community or to buy a car manufactured here in America. They want to do that, but they need the confidence.

So don't complicate the bill we are going to be voting on in 1 hour. Don't make it that difficult. It is a pretty simple bill. It says whether we are going to fully protect 98 percent of Americans from seeing their tax rates go up and their paychecks go down on January 1 and help every American, regardless of their income, with the first $250,000 of taxable income.

I hope we will then make a commitment, Democrats and Republicans, to

put aside our partisan differences and listen to each other and come up with a credible plan that answers not just the issues—the only issue raised by my Republican colleagues, which is the estate tax—but also answers the questions of our physicians for Medicare and answers the problems of our people who depend upon government, the sequestration orders. Let's get it together and get all of that done, but let's not let the traditional partisan differences stop us from protecting 98 percent of Americans, so that companies such as English American Tailoring can continue to expand and create more jobs here in America to help our economy grow because people will be willing to buy the suits, knowing there is some confidence in the Tax Code that allows them to plan for their future.

I urge my colleagues to support the efforts we are going to vote on in a few moments.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

VIOLENCE AGAINST WOMEN ACT

Mr. LEAHY. Mr. President, I know we are soon going to be voting on other matters, and I see the distinguished senior Senator from Florida, who wishes to speak, so I will not take long. However, there is one area I don't want people to forget about; that is, the Violence Against Women Act.

Eight months ago Senator CRAPO and I joined together to introduce the Leahy-Crapo Violence Against Women Reauthorization Act of 2011. We decided to put victims first, not politics first. So we set aside any partisan differences the two of us might have. We did this so we could tell the Senate that even though we come from entirely different political philosophies, we are united on the need to protect victims. At a time when we hear people say this body is deeply divided, an overwhelming majority of the Senate, Republicans and Democrats alike, joined us in that effort, and we passed this commonsense legislation with a remarkable 68 votes. That is a rare feat in the Senate today and it sent a clear message—stopping domestic and sexual violence. There are some who say we couldn't get 51 votes to say the Sun rises in the east. We got 68 votes to protect victims. We sent a clear message that stopping domestic violence is a priority and we will stand together to protect all victims from these devastating crimes.

Most of us here hoped the House Republicans would follow our demonstration of bipartisanship. We gave them an excellent bill and a chance to quickly take it up and pass it. Instead, unfortunately, they put politics first. They drafted a new bill, and they are within their right to do that, but here is what they did. They intentionally stripped out protections for some of the most vulnerable victims, including immigrants, LGBT victims, and Native women. They took out the key provisions to make campuses and public housing safer. They rejected the input of law enforcement and victims' services professionals who tell us these protections are desperately needed to save lives. In other words, they said: If you have two victims who are subjected to the same kind of abuse, we might protect this one, but by law we won't protect this one. I can tell my colleagues that there is no one in law enforcement in this country, no matter what their political background, who wants to be put in that position. They believe that a victim is a victim is a victim, and they want to protect all of them.

In fact, it was so obvious that the acts of some of these House Republicans were too much even for some of their own party. Nearly two dozen House Republicans, including the chair of the crime victims caucus, stood up and voted against this restrictive House bill.

We can talk about numbers and all of those things, but I wish those who came up with this restrictive House bill could have been with me last Thursday to hear from Laura Dunn, a courageous survivor of campus sexual assault who told us of her own horrendous experience. She said: I come before you to tell you about this because I want you to include the Senate provisions the House stripped out. She made an impassioned plea for that and for Congress to do all it can to protect all students on campus from the kind of unspeakable violence she encountered—the kind of violence that I pray my daughter and my granddaughters will never have to face.

More than 200 survivors of campus violence at 176 colleges and universities came forward publicly and joined her in an open letter to Congress calling for the immediate passage of this critical legislation. I ask unanimous consent that a copy of the letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL TASK FORCE TO END SEXUAL AND DOMESTIC VIOLENCE AGAINST WOMEN,

Washington, DC, July 20, 2012.

U.S. SENATE,
Washington, DC.
HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR SENATOR/REPRESENTATIVE: We, the undersigned survivors of violence committed on college and university campuses nationwide and the families of those who did not survive this violence, call upon every Member of Congress to pass the Violence Against Women Act (VAWA) Reauthorization before the end of September. Furthermore, the final VAWA must contain comprehensive campus provisions including the Campus SaVE Act and the Campus Safety Act.

Each of us has been dramatically affected by at least one of the four crimes that have become a silent epidemic on college campuses: stalking, sexual assault, dating violence and/or domestic violence. We have been the victims of this violence. We have family members who have been killed on campus as part of the commission of these crimes. We have family members who might not have been killed if their colleges and universities had been fully and responsibly addressing stalking, sexual assault, and dating violence through well structured campus systems for prevention, intervention, victim support and perpetrator accountability.

And we are not alone: 13.1% of college women report having been stalked during the school year; one in five college women report having been sexually assaulted; 70% of all victims of intimate partner violence in the US experience the first incidents of abuse before they reach the age of 25.

There are more than 4,700 colleges and universities in the United States with a total enrollment of over 20 million students. This is a population in crisis that cannot and will not be ignored.

The Violence Against Women Act (VAWA), enacted in 1994, recognized the insidious and pervasive nature of domestic violence, dating violence, sexual assault, and stalking. In every reauthorization of the Act, Congress has worked carefully to craft improved, enhanced, and accountable programs and services, as well as coordinated community responses, with the goal of providing comprehensive, effective and cost saving responses to these crimes. VAWA's reauthorization must build upon its successes and continue progress towards ending the violence. VAWA must reach all victims and perpetrators of domestic violence, dating violence, sexual assault and stalking in every community and on every college campus.

The Grants to Reduce Violent Crimes Against Women on Campus program helps institutions of higher education adopt a comprehensive response to domestic violence, dating violence, sexual assault and stalking. First authorized in 1999, this very small program has had a dramatic impact on the institutions of higher education lucky enough to get one of these grants (approximately 20–22 colleges per year). It is essential to reauthorize the Campus Grants Program in VAWA, yet it is unacceptable for this to continue to be the only piece of VAWA addressing the overwhelming need.

The Campus Sexual Violence Elimination (SaVE) Act, introduced independently in both chambers and passed as part of S. 1925 in the Senate-passed VAWA, is a crucial step forward. It will address sexual violence, dating violence, and stalking at institutions of higher education and increase awareness and prevention of these acts of violence by requiring transparency of information, systemic, campus-wide policies and procedures to address these crimes, prevention programs, and assistance for victims.

The Campus Safety Act, introduced independently in both chambers and passed as part of H.R. 4970 in the House-passed VAWA, is also essential. It will establish a National Center for Campus Public Safety that will provide a centralized, government operated entity to promote proactive approaches to campus safety through the development of best practices, research, and training opportunities.

Both the House and the Senate passed bills earlier this year to reauthorize VAWA. It is clear that the vast majority of Congress supports a reauthorization of the Violence Against Women Act with key improvements. But as we watch the clock ticking on the 112th Congress, we are painfully aware of the devastating blow to the young people in our colleges and universities that will occur if Congress fails to pass a final VAWA.

We are the voices of the unimaginable pain and suffering occurring every day on our college campuses. We are the voices of those young people whose safety continues to be at such great risk. We are the voices of those who are still too unsafe to speak out about the violence they experienced. We are the

voices of those who have tragically died senseless deaths when their lives were just beginning.

We will not wait! Get VAWA done now.

We call upon each and every Senator and Congressperson to prioritize the Reauthorization of the Violence Against Women Act and the safety and well-being of the young people we are all relying on to carry our nation forward. We implore you not to let us or them down.

Mr. LEAHY. Now the House Republican leadership is hiding behind a procedural technicality as an excuse to avoid debate on the Senate bill. That is nonsense. We all know the Speaker of the House could waive the technicality, called a blue slip and allow the House to have an up-or-down vote on the bipartisan Senate bill at any time. He could do it this afternoon.

I have been consistently calling for House action on this legislation since we passed it overwhelmingly 3 months ago. In fact, last month Senator MURKOWSKI and I wrote a bipartisan letter to Speaker BOEHNER. We asked him to allow an up-or-down vote. Last Thursday five House Republicans followed suit. They called on Speaker BOEHNER and Majority Leader CANTOR to take up the Senate-passed bill and resolve the blue slip problem.

The Speaker's hands are not tied in this matter. He has to stop choosing to hold up the bill and instead choose to let these efforts to pass the bill go forward. A New York Times editorial earlier this week entitled ''Delay on Domestic Violence'' put it well:

Mr. Boehner's leadership could break the logjam—but that, of course, would also require his Republican colleagues to drop their . . . opposition to stronger protections for all victims of abuse.

I ask unanimous consent that both letters and the editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 23, 2012]

DELAY ON DOMESTIC VIOLENCE

With Congress just days away from its August break, House Republicans have to decide which is more important: protecting victims of domestic violence or advancing the harsh antigay and anti-immigrant sentiments of some on their party's far right. At the moment, harshness is winning.

At issue is reauthorizing the Violence Against Women Act, the landmark 1994 law central to the nation's efforts against domestic violence, sexual assault and stalking.

In May, 15 Senate Republicans joined with the chamber's Democratic majority to approve a strong reauthorization bill. Instead of embracing the Senate's good work, House Republicans passed their own regressive version, ignoring President Obama's veto threat. The bill did not include new protections for gay, immigrant, American Indian and student victims contained in the Senate measure. It also rolled back protections for immigrant women, including for undocumented immigrants who report abuse and cooperate with law enforcement.

Negotiations on a final bill are in limbo. Complicating matters, there is a procedural glitch. The Senate bill imposes a fee to pay for special visas that go to immigrant victims of domestic abuse. This runs afoul of the rule that revenue-raising measures must begin in the House. Mr. Boehner's leadership could break the logjam—but that, of course, would also require his Republican colleagues to drop their narrow-minded opposition to stronger protections for all victims of abuse.

Unless something changes, Republicans will bear responsibility for blocking renewal of a popular, lifesaving initiative. This seems an odd way to cultivate moderate voters, especially women, going into the fall campaign.

U.S. SENATE,
Washington, DC, June 12, 2012.

Hon. JOHN BOEHNER,
Speaker of the House of Representatives,
U.S. Capitol, Washington, DC.

DEAR MR. SPEAKER: Saving the lives of victims of domestic violence should be above politics. Yet politics seem to have gotten in the way of House passage of the bipartisan Senate Violence Against Women (VAWA) Reauthorization Act, a bill to strengthen law enforcement's response to domestic violence that cleared the Senate on April 26th with a strong bipartisan vote. In the time since the Senate passed its bill, over 1.5 million Americans have become victims of rape, physical violence, or stalking by an intimate partner. We cannot afford to let another day go by. We urge you to swiftly allow for an up-or-down vote in the House on the Senate's bipartisan VAWA Reauthorization Act.

Since being enacted in 1994, VAWA has developed a long track record of protecting women and reducing the incidence of domestic violence by providing critical support to law enforcement and services for victims. Each previous reauthorization substantially improved the way VAWA addressed the changing needs of domestic violence victims by addressing challenges facing older victims, victims with disabilities, and other underserved groups. The Senate's bipartisan VAWA Reauthorization Act continues this tradition by placing greater emphasis on training for law enforcement and forensic response to sexual assault, and by strengthening protections for all victims regardless of where they live, their race, religion, gender, or sexual orientation. These changes were included at the recommendation of professionals from all over the country who work with victims every day.

We should not let politics pick and choose which victims of abuse to help and which to ignore. However, this fundamental principle is not reflected in the House version of VAWA reauthorization legislation, which disregarded the input from professionals and would eliminate Senate language that ensures universal protection for LGBT victims who currently face obstacles to accessing VAWA's life-saving services, make it more difficult for local law enforcement to help immigrant victims of domestic violence, and fails to match the Senate's effort to address the epidemic of domestic violence on tribal lands.

Although significant progress has been made, domestic violence and sexual assault remain serious challenges. Every day, abusive partners kill three women, and for every victim killed there are nine more who narrowly escape. It would be unacceptable to step away from our commitment to stopping violence and abuse, and from seeking justice for victims, by undermining VAWA's protections.

The delay of the VAWA Reauthorization Act has real consequences for these and future victims, and should not be allowed to continue. VAWA was enacted and reauthorized with broad bipartisan support, and this year's reauthorization is endorsed by over 500 state and local organizations, and 47 attorneys general. We are concerned that unnecessary political and procedural posturing is breaking the bipartisan consensus on an issue that should rise above such considerations, and is creating an unconscionable delay that further threatens victims of violence. We urge you to honor VAWA's bipartisan history and affirm the House's commitment to combating domestic violence by having an up or down vote on the Senate's VAWA Reauthorization Act.

Sincerely,

PATRICK LEAHY,
U.S. Senator.
LISA MURKOWSKI,
U.S. Senator.

U.S. CONGRESS,
Washington, DC, July 19, 2012.

Hon. JOHN BOEHNER,
Office of the Speaker, The Capitol,
Washington, DC.
Hon. ERIC CANTOR,
Office of the Majority Leader, The Capitol,
Washington, DC.

DEAR SPEAKER BOEHNER AND MAJORITY LEADER CANTOR: As strong supporters of a bipartisan approach to the Violence Against Women Act (VAWA) reauthorization, we thank you for your efforts to secure timely House consideration of this issue. We strongly urge you to work diligently with the Senate to solve the blue slip problem as effectively as you did with the Transportation Bill and quickly craft a bicameral compromise on VAWA reauthorization that includes the following provisions:

1. Concurrent jurisdiction for tribal crimes—Because of the significant backlog of crimes occurring on tribal lands, federal courts have limited resources to pursue all but the most serious violations. As a result, most sexual assaults and domestic incidents that occur on native lands go unpunished. Allowing our tribal court systems to prosecute these crimes would help to ensure that justice is served and prevent the spread of domestic violence in native communities.

2. Protections for LGBT populations—Under current law, all victims of domestic violence are entitled to VAWA services. However, in some communities, services remain unavailable to LGBT individuals simply because of their sexual orientation or gender identity. LGBT-inclusive language would simply clarify the law to ensure that all domestic violence victims have access to the support offered by VAWA.

3. Eliminate disincentives for reporting crime among immigrants—The House proposal provides temporary shelter for victims who report domestic crimes, but it maintains the long-term threat of deportation for immigrant victims who come forward. No one should be discouraged from bringing an abuser to the attention of law enforcement. While the Department of Justice confirms that the U-Visa program is not subject to significant fraud, we stand ready to work with concerned Members on improving accountability within the system to ensure that Congress can monitor its effectiveness.

4. Improve safety on college campuses—The Senate requires more transparency of information, more prevention programs, and improved assistance for victims of domestic violence, dating violence, sexual assault, and stalking on college campuses. The House proposal supports a Campus Safety Resource Center that would be able to support colleges and universities with best practices and guidance to address violence on campus better. Both of these provisions are critical improvements to protect students on campus.

We urge you to make VAWA reauthorization a significant priority during the rest of

the 112th Congress and ensure that the aforementioned provisions are included in the final reauthorization bill.

Sincerely,

JUDY BIGGERT,
ILEANA ROS-LEHTINEN,
ROBERT J. DOLD,
TODD R. PLATTS,
DAVID RIVERA.

Mr. LEAHY. Mr. President, victims shouldn't be forced to wait any longer. The problems and barriers facing victims of domestic and sexual violence are too serious for Congress to delay. I think of my home State of Vermont and the very small State that it is, but more than 50 percent of homicides are related to domestic violence—50 percent. That is simply unacceptable. We know how to identify these cases early. We know how to intervene. We know how to stop these needless deaths. The Senate-passed bill includes important new tools for law enforcement in communities all over Vermont and every other State to do just that. But until the House Republican leadership stops playing games, those resources will not reach the people who need them now and lives will be lost.

Enough is enough. Let's stop this fiction of saying we will stand together to protect this victim but not this other victim, as though somebody who has been victimized, somebody who has faced this violence should be treated differently. It is time to put aside the politics. We need to stop picking and choosing which victims of abuse get help and which are ignored. We will not find a single police officer who has gone to a scene of domestic violence or abuse who will tell us: Well, I don't want to catch the person who did this, but the person who did this, we will go after them. No. Police officers want to protect us all. That is what the Leahy-Crapo bill does. This is to protect us all. So I hope the House will take up and vote on the bipartisan Senate bill because our bill protects all victims. Domestic and sexual violence knows no political party. Its victims are Republicans and Democrats and Independents. They are rich and poor. They are gay and straight. They are immigrant and citizen alike. A victim is a victim. Helping these victims, all these victims—whether they are from Vermont, California, Alaska, Iowa, Oregon, Florida, or anywhere else—that has to be our goal because their lives depend upon it.

Mr. President, we live a privileged life in this Senate, just as the House Members do. They are not facing this kind of abuse. But the lives of millions of Americans do face it. Their lives are depending upon us not to play partisan games but to give law enforcement and all the various organizations that help prevent abuse the tools they need. We have done that in the Senate. It is time for the House to act.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON of Florida. Mr. President, in the midst of all of this tax debate and the partisan wrangling and the gridlock that has ensued—and today we will have another couple of tax votes, and, again, real progress will be stalled—I would like to offer a bipartisan thought that will lead to a solution. As a matter of fact, I think there are over 50 Senators of the 100-Senator body who agree that deficit reduction can be done, and done in a comprehensive way. I think partisan politics, all mixed up in election-year politics of a Presidential election, is getting in the way, and I think that is what we are going to see being played out this afternoon on the floor of the Senate.

What would that solution be? Well, if our target is that we want to reduce the deficit over a 10-year period by at least $4 trillion—that was clearly where the Simpson-Bowles Commission was going; that was clearly where the Gang of 6, which morphed into 45 of us who last summer stood and had a press conference and talked about $4 trillion-plus in deficit reduction, was going—if that is what our goal is, and as others have spoken out here, if we could get that kind of deficit reduction agreement for a 10-year period, what we would have is a shot of confidence into the economy, and we would see this economic engine start to roar more to life, other than the gradual economic recovery we are seeing—indeed, a recovery of 27 straight months of private sector job growth, but albeit a slow economic recovery.

If over 50 of us were to come together and strike that agreement, indeed, that is what we would have, and the stock market would take off, the bank lending would take off, the credit ratings would go up, and all of the incidental things that would flow from that.

You know what. At the end of the year that is what we are going to have to do, and most every reasonable Senator knows that. That is why there are a number of Senators on this side and that side of the aisle who have spoken the same message.

What is that message?

No. 1, that we have to have some spending cuts, but if we are doing $4 trillion-plus, we cannot do it all with spending cuts. We have to have revenue produced.

How do we get the revenue? What over 50 Senators in this body would agree to is we reform the Tax Code in a comprehensive way by starting to eliminate some of the tax preferences, otherwise known as tax loopholes, tax deductions, tax credits, that have ballooned out of control.

The last time I voted for tax reform I was a young Congressman and President Reagan was President. It was 1986. When we reformed the Tax Code back then, the tax expenditures for a 10-year period were worth about $2 trillion to $3 trillion. Do you know, that has ballooned now to over $14 trillion over a 10-year period, just in tax preferences—that is individual tax preference items for different special interests—which means revenue is not coming in. As a matter of fact, there is more going out in tax preferences than there actually is coming in each year in individual income tax.

Well, if we reform it in the way that a lot of us are talking about, then we take that revenue and we do two things with it: No. 1, we simplify the Tax Code and we lower everybody's tax rates—individual income tax rates, as well as corporate income tax rates—and we take the rest of the revenue and pay down the annual deficit.

Now, that is fairly common sense, and it is fairly simple. Of course, to get in and comprehensively reform the Tax Code is going to be quite a task, and the committee that is designated to make the first cut at it would be the Finance Committee, of which I have the privilege of being a member.

We have heard similar statements by a number of Republican Senators. We will continue to hear statements from other Democrats—such as me—about what I just said. And we will hear that because the commonsense people know that is what it is going to take to get our budgetary house in order.

But we are not there. We are in the middle of a partisan war, all wound up in the crucible of an election year for President, and as a result we are going to have two tax votes today that do not pass.

The Republican version of the tax cut is going to be all of the Bush tax cuts from 2001 and 2003. They stay in effect for all levels of income. Oh, by the way, in their bill, they say to make up for that $405 billion that will not go into the Treasury as a result of the continuation of the Bush tax cuts—in 1 year, $405 billion—we cannot do anything with revenue. So they are going to prohibit what half of the Senate knows ultimately is the solution to this problem. That is one version.

The other version is what is being brought forth by the majority leader, which is, give the tax cuts for everybody, including the top 2 percent. But the top 2 percent—above $250,000 adjusted gross income on a joint return—that tax rate will go up a little over 4 percent just on the income above the $250,000 adjusted gross income, not on the income underneath, for which everybody continues to have the continued tax rate. In that same proposal, 97 percent of the small businesses will not get any kind of tax increase. Likewise, if they are a subchapter S corporation, they will have the same benefits of the tax cut up to that level of $250,000.

We heard comment out here about, oh, we have to keep the exemptions on the estate tax up, which I certainly agree with. Well, in this version the majority leader is going to offer, it has no provisions in it on raising the estate tax.

What would be my preference? I am going to vote for the majority leader's proposal, but my preference is that we would take that tax cut up to the level of adjusted gross income of $1 million

on a joint return, which would mean far less than 1 percent of the people in this country would be affected by a 4-percent increase in that income above $1 million.

That is my preference. That is what I voted on a year ago. But that is not the choice before us today. So I have no choice but to vote as I just indicated. But at the end of the day, this is not going to solve the problem. It is going to be more political posturing all the way up to the November election. Then in a lameduck session we are going to get down to work. We are going to let common sense and bipartisanship operate, and we are going to solve this deficit problem.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I very much appreciate the cogent remarks, sensible remarks of my colleague from Florida. He has fought long and hard for the middle class in terms of taxes, and I very much appreciate his hard work on this issue. The citizens of Florida should be proud of him.

I rise today, of course, also to talk about the upcoming Senate vote on the middle-class tax cuts.

For weeks, Senate Democrats have been asking our friends on the other side of the aisle to allow this debate on taxes to happen. Leader REID has repeatedly offered to have a simple up-or-down vote on both the Democratic and Republican proposals. Time after time, minority leader MITCH MCCONNELL has declined.

But, fortunately, that has now changed. Senator MCCONNELL has, after weeks of delay, relented and decided he is not going to filibuster our middle-class tax cut bill. That is very good news for the country. The most important thing we can do for the economy right now is to provide certainty to the middle class that their taxes are not going up.

I believe there are two reasons Senator MCCONNELL finally decided to allow this to happen.

First, forcing his entire caucus to filibuster this legislation would have been politically disastrous for them. It would have prevented any debate or amendments on the Democratic tax cut legislation, meaning the Republicans would not have been able to offer their amendments to extend tax cuts for those millionaires and billionaires. In other words, a filibuster would have meant there would have been only a single vote on middle-class tax cuts on the Democratic proposal and that almost all Republicans would then have been on record against them. So it is easy to see why that would have been uncomfortable for them.

Second, I truly believe some of my friends on the other side of the aisle have truly looked at the Democratic proposal and realized that voting for it is the right thing to do. I believe Senator MCCONNELL would have not been able to stop them from voting yes.

Faced with widespread concern in his caucus, I believe Senator MCCONNELL decided an abrupt about face was in his best interest. So the Senate is about to speak. We are going to pass a bill that will ensure taxes do not go up for the 98 percent of Americans who earn less than $250,000 a year. We are going to defeat a proposal that would spend almost $1 trillion providing additional cuts for the richest 2 percent and at the same time allowing tax breaks used by 25 million middle-class families to expire.

Included in that is something very important to me; that is, the $2,500 credit middle-class families get to help defray the cost of tuition. To not allow that to move forward, whether in this bill, the extenders bill or another bill would be very bad policy, hurt the middle class, and hurt the future of America.

We are doing it. I hope everyone will join us in supporting the Democratic bill which has that provision to provide tuition relief, tax relief to help middle-class families defray the cost of tuition.

Once the Democratic proposal passes the Senate, it will be sent to the House. I am sure Speaker BOEHNER does not appreciate the uncomfortable position Senate Democrats and Republicans have put him in. Make no mistake about it, Senator MCCONNELL, to save his caucus from a disastrous vote against the middle-class tax extension, has had to put the Speaker in a box.

The Speaker knows if he puts this bill on the floor, his Members will have trouble voting against it. So they have decided to put out an argument that they should not bring it up because of a blue-slip issue. While it is true that revenue vehicles have to originate in the House, this is a problem that could be easily remedied. In fact, Senator REID tried to do it by unanimous consent earlier today, but unfortunately the minority leader blocked it.

When it comes to blue-slip issues, where there is a will, there is a way. House Republicans have passed two landmark revenue bills this Congress after the Senate passed them—the highway bill and the FAA bill. Senate Republicans have joined Democrats in passing legislation in the Senate this Congress despite potential blue-slip issues, the Violence Against Women Act and the ethanol excise tax credit repeal, for example.

But if House Republicans insist on blocking our middle-class tax cuts and using the blue-slip issue as an excuse, that is a debate we are willing to have. That is a debate we welcome. Because, for once, we have broken the vice that Republicans have had on tax issues for 30 years. They have always conflated tax cuts for the middle class and tax cuts for the very wealthy. But this bill breaks that vice and allows us to support middle-class tax cuts without—without—giving tax cuts to the very wealthiest among us who, A, will not bump up the economy because they do not spend a large proportion of that high income, and, B, could go to deficit reduction.

I know lots of very wealthy people who say: I do not mind paying more taxes if the money would go to deficit reduction. Our bill allows exactly that to happen. So Democrats are going to be happy to bring the argument to the American people and ask them whether they think obscure procedural rules which the Republican Party in the House has ignored time and time again are now reason enough to let over 100 million families face a tax hike of $1,600 a year.

The Senate is about to pass the only tax cut bill that has a chance of becoming law. No one thinks it is a good idea to raise taxes on the middle class. No one. We can disagree about whether the very wealthiest in society should also get a tax break, but we all agree the middle class should get one. So why hold one hostage for the other?

The Senate supports middle-class tax breaks. The President supports middle-class tax breaks. The House supports middle-class tax breaks. Democrats support middle-class tax breaks. Republicans support middle-class tax breaks. Instead of fighting over whether the wealthiest in society should also get a tax break, why do we not pass this now, give real relief to the middle class, and have the other debate later?

Middle-class Americans who do not want to see their taxes go up support what we are doing. The House should act immediately so the President can sign this bill into law.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. How much time remains on each side?

The PRESIDING OFFICER. There is 9 minutes on the majority side.

Mrs. BOXER. How much on the minority side?

The PRESIDING OFFICER. No time remains.

Mrs. BOXER. Mr. President, I yield 2 minutes of our time to Senator HATCH.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. I wish to thank my friend from California for her kindness and for her graciousness in allowing me this little bit of time to make final remarks with regard to this bill that Senator MCCONNELL and I have filed.

We are going to be taking two votes on a critical issue in a few moments. Action on the fiscal cliff is long overdue. Before we vote, I would like to make three points. First, it has been suggested that the Hatch-McConnell bill fails to extend the earned-income tax credit and child tax credit provisions. This is utterly false. The Hatch-McConnell bill extends these provisions as they were originally agreed to in 2001, and that agreement actually doubled the child tax credit. Democrats are complaining that our bill does not extend the stimulus provisions that expanded these provisions even further and made them more refundable.

Democrats sold the stimulus bill as being ''timely, temporary, and targeted.'' Now they are holding up tax relief for nearly every income taxpayer unless these stimulus provisions that are mostly spending through the Tax Code are extended yet again.

Second, the Democratic proposal includes a significant increase in the death tax. The number of death tax filers will increase under their bill by 11 times. This is what they are proposing: 98,300 new filers will now have to fill out estate tax forms, get appraisals, deals with the IRS, and get all this done within 9 months of the death of a loved one. That is the equivalent of one entire midsized American city being forced to deal with the death tax every year.

Third, the Democratic bill is a massive tax increase on small business job creators. It would subject 53 percent of all flowthrough business income in the United States to higher taxes. There is a compromise here.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HATCH. I ask unanimous consent for an additional 30 seconds, with an equivalent time for the other side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. There is a compromise here; it is the Hatch-McConnell bill. Our economy needs relief, businesses and families need certainty, and all we are proposing is extending current tax law for 1 more year so we can dedicate that year to do tax reform.

By contrast, the Democratic bill offers nothing but more uncertainty and tax increases on job creators. Let's face it, we are talking about 940,000 small businesses that will be drastically affected by this. Many of those provide jobs in our society and will continue to do so if we do not clobber them with the Democratic approach.

Mr. AKAKA. Mr. President, I rise today in strong support of S. 3412, the Middle Class Tax Cut Act, which would act on President Barack Obama's proposal to restore our economy and control our deficit by immediately extending the current tax rates for American families making less than $250,000 a year and asking our Nation's top 2 percent of income earners to pay their fair share.

As we continue to work to enact policies that move our economy forward, it is important that we protect the middle class from having to pay higher taxes—which will happen if Congress does nothing before January 1, 2013. In Hawaii, this means 500,000 families would pay an average of $1,600 more in taxes in 2013 alone, which they cannot afford. My colleagues and I are working to reduce the national debt; however, at this point in our economic recovery, we cannot allow the vast majority of Americans—the middle class—to shoulder this burden alone. They have always been and remain the backbone of our economy and our country.

Most of us here in the Senate, on both sides of the aisle, as well as our colleagues in the House, can agree that we should maintain the current income tax rates for 98 percent of Americans. With that in mind, my colleagues on the left have been trying to work with the rest of the Senate to get this sensible legislation passed. However, some Members in this Chamber refuse to come together to pass the tax extensions that we all agree on. We need to take action now. Hard-working American families should not have to worry about their taxes increasing as they budget for housing, food, and other necessities for the coming year.

To cut our deficit, we must ask the wealthiest Americans to pay their fair share. That means closing tax loopholes for corporations and not extending the tax cut for millionaires and billionaires. Yet some Members of the Senate continue to oppose this bill in hopes of including an extension of tax breaks for the wealthiest Americans. These tax breaks for the wealthy were originally intended to be temporary measures, enacted during a time when our Nation had substantial annual surpluses. However, we must acknowledge our current economic situation and respond by asking the wealthiest Americans to pay their fair share.

This country was founded on the principles of fairness and responsibility. This bill would help restore those fundamentals to our tax system. I urge my colleagues to consider all of their constituents when voting on this bill and support it for the 98 percent of Americans who need our action today.

The PRESIDING OFFICER. The Senator from California.

Mr. MCCONNELL. Would the Senator yield for a moment? I am going to use my leader time. But I am happy to defer to the Senator from California first.

Mrs. BOXER. Whatever is more convenient for the minority leader. If the minority leader wishes to speak now, I will defer and take my 8 minutes later.

Mr. MCCONNELL. Mr. President, I will let the Senator from California go ahead.

Mrs. BOXER. Thank you, very much. Let me say that this is a very important debate. When we look at the two plans, the Republican tax cut plan versus the Democratic tax cut plan, what we see is one is for the middle class; that is, the Democratic plan. One is for our middle-class families. It includes tuition tax credits, and an enhanced child tax credit. It is very important that we do that.

The other is a giveaway to the millionaires and the billionaires. It is amazing to me that it is not enough for my Republican friends to give everyone a tax break in this Nation of ours up to the first $250,000 of income and then say after that we are going to go to the tax rates of Bill Clinton.

In those years, unlike the Bush years, we created 23 million jobs, and we created surpluses as far as the eye could see. But my Republican friends want to go backward to the Bush years, to the trickle-down years. Here is the problem. They do it on the backs of the middle class.

They claim our plan will hurt small business owners. Let me be clear. Ninety-seven percent of small business owners earn less than $250,0000 a year. So all that talk about job creators is nothing but talk. It is nothing but a smokescreen for the highest earners in America. Here is another problem. The Republican plan adds $930 billion to the deficit over 10 years. It is a problem. In 1 year, the first year, it is a $50 billion add-on to the deficit.

I have heard my Republican colleagues cry about sequestration. They do not want it, even though they agreed to it when we made our deal around the debt ceiling. Let's remember that. They did not want to give an increase to the debt ceiling. They held everybody hostage. We lost our credit rating. Even Ronald Reagan said: Never play with the debt ceiling. They played with it. They played a game with it.

Then, to get out of it, they said: OK. We will sequester if we do not have the debt deal. Now they are crying about sequester. Guess what. If we do the Democratic deal, we save $50 billion. We could cut that sequester in half. But oh, no, they want to do tax breaks for the wealthy few.

This is the deal. Look at this chart. This is Robin Hood in reverse—this is Robin Hood in reverse. The wealthiest among us get back $160,000 a year under the Republican plan. Let me repeat that. The wealthiest taxpayers in America will get back $160,000 a year under the Republican plan while the middle class gets harmed.

They lose $1,100 a year for their tax credits on the tuition tax credit. They lose $800 a year from an enhanced child care tax credit, $500 a year from enhanced earned-income tax credit. So our families lose money, our middle-class families, while the wealthiest among us gets this enormous tax break and the deficit goes up and the debt goes up.

When my colleague Senator HATCH says the Hatch-McConnell compromise is good, it is not a compromise. It is going right back to the problem that led us to this situation in the first place. It is going right back to the same policies of George W. Bush. Remember when George W. Bush became President? We had surpluses as far as the eye could see. Then he gave these tax breaks to the top 1 percent. By the way, this $160,000, that is the millionaires' tax break. They want to give tax breaks to the multimillionaires, to the billionaires, to the multibillionaires. They put no cap on the tax cuts whatsoever. Someone can earn $100 billion, they want to give them a tax break.

There is a cost. There is a cost to the Treasury. There is a cost to the debt. There is a cost to the deficit. There is a cost to fairness. There is a cost to the middle class. I think the American people have weighed in on this one. They

believe that to give a tax break to the first $250,000 of everybody's income is fair because then the people above that can pay a little more, the same rates they paid when Bill Clinton was President. We need to go back to those days when we created 23 million jobs and when we not only balanced the budget but we created surpluses as far as the eye could see.

The question is, who are you fighting for? Are you fighting for the people who make a billion dollars a year? That is who the Republicans fight for. They get so emotional about it. Or are you fighting for the middle class, the heart and soul of America—the people who live in my towns, the people who live in towns across this Nation, the people who get up every day and put one foot in front of the other and work hard, the people who are trying to raise their families, the people who want us to be fiscally responsible, not have a tax cut that causes huge deficits? We have been there. Trickledown doesn't work; giving to the top doesn't work. It has brought us the worst recession since the Great Depression.

Vote for the Democrats' plan and against the Republican plan, and do what our President said, which is get this country moving forward again.

I yield the floor.

The PRESIDING OFFICER (Ms. KLOBUCHAR). The Republican leader.

Mr. MCCONNELL. Madam President, I am going to proceed for a few moments on my leader time.

The PRESIDING OFFICER. The Senator has that right.

Mr. MCCONNELL. Madam President, the vote we are about to take on the Democratic plan to raise taxes is interesting for a few reasons. First, it is a revenue measure that didn't originate in the House, so it has no chance whatsoever of becoming law.

Second, it is the perfect example of what you get when you put politics over the people who sent you here. If the Democrats truly believed what the President has been saying out on the stump, they would vote on his plan. But as the vote tally will show, they can barely muster 50 votes on their own plan, let alone his. So for the entire President's talk about supporting a balanced approach to taxes, he evidently can't even get 50 votes for his plan in a Democratic-controlled Senate when we all know he would need 60 votes to get it to his desk.

Instead of voting on the President's plan, our Democratic friends have cobbled together the only thing they could come up with that would muster more than 50 votes—a purely political exercise, and a total waste of time.

But to be honest, I can't imagine why they would want to vote for either one, since both proposals raise taxes on about a million business owners, and both raise taxes on investment, at a time when the economy is in paralysis.

Here is the Democratic plan for the economy: We will get this thing going again—by raising taxes. Let's take more money out of small business and send it to Washington; that is how we will create jobs, they say. Let us create jobs instead of the small business owners out in America. After all, they don't create jobs anyway; of course, Washington creates jobs.

If you are looking for the legislative equivalent of the President's now famous view that ''you didn't build that,'' this is it.

They don't think you deserve to keep what you have earned because you are not responsible for earning it. They don't think you are entitled to keep what you have earned because, after all, you weren't even responsible for earning it; they are.

That is the message Democrats are sending with today's votes, that you are not responsible for your success; Washington is. So give us your money, and we will handle it for you. That is their tax plan. That is their plan for the economy and for jobs.

Fortunately for the American people, there is another approach. Next week, House Republicans will pass a bill that drew broad bipartisan support in this body 19 months ago, and it would draw broad bipartisan support today if Democrats were more concerned about what is best for creating jobs than they were in centralizing power right here in Washington and pleasing their liberal base.

The Republican proposal is to do no harm and to commit to the kind of serious tax reform we all know we need. That is the vote Senate Republicans are proud to take today and House Republicans will take next week. It is the plan Senate Democrats—and the President—would support if they were serious about jobs.

The Democratic plan is to raise taxes on nearly a million business owners and, in a notable departure from the President, threaten tens of thousands of family farms and ranches with a death tax of 55 percent at the end of the year. That is their plan. That is their idea of economic stimulus. That is the bill they would rather vote on than the President's proposal. And it is absolutely the last thing we need right now.

The good news is that this new, convoluted Democratic bill will never make it to the President's desk. It will never make it. The bad news is they will also vote down the one tax plan that should make it to his desk.

We can do better than this. It is time for the Democrats to work with us on rewarding success and not punishing it.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the cloture motion is withdrawn and the motion to proceed to S. 3412 is agreed to.

MIDDLE CLASS TAX CUT ACT

The PRESIDING OFFICER. The clerk will state the bill by title.

The bill clerk read as follows:

A bill (S. 3412) to amend the Internal Revenue Code of 1986 to provide tax relief to middle-class families.

The PRESIDING OFFICER. The Senator from Utah.

AMENDMENT NO. 2573

Mr. HATCH. Madam President, I call up amendment No. 2573 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Utah [Mr. HATCH], for himself and Mr. MCCONNELL, proposes an amendment numbered 2573.

The amendment is as follows:

(Purpose: In the nature of a substitute)

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Tax Hike Prevention Act of 2012''.

SEC. 2. TEMPORARY EXTENSION OF 2001 TAX RELIEF.

(a) IN GENERAL.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''December 31, 2012'' both places it appears and inserting ''December 31, 2013''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

SEC. 3. TEMPORARY EXTENSION OF 2003 TAX RELIEF.

(a) IN GENERAL.—Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking ''December 31, 2012'' and inserting ''December 31, 2013''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

SEC. 4. ALTERNATIVE MINIMUM TAX RELIEF.

(a) TEMPORARY EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.—

(1) IN GENERAL.—Paragraph (1) of section 55(d) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''$72,450'' and all that follows through ''2011'' in subparagraph (A) and inserting ''$78,750 in the case of taxable years beginning in 2012 and $79,850 in the case of taxable years beginning in 2013'', and

(B) by striking ''$47,450'' and all that follows through ''2011'' in subparagraph (B) and inserting ''$50,600 in the case of taxable years beginning in 2012 and $51,150 in the case of taxable years beginning in 2013''.

(b) TEMPORARY EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.—

(1) IN GENERAL.—Paragraph (2) of section 26(a) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''or 2011'' and inserting ''2011, 2012, or 2013'', and

(B) by striking ''2011'' in the heading thereof and inserting ''2013''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

SEC. 5. EXTENSION OF INCREASED EXPENSING LIMITATIONS AND TREATMENT OF CERTAIN REAL PROPERTY AS SECTION 179 PROPERTY.

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Section 179(b)(1) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''2010 or 2011,'' in subparagraph (B) and inserting ''2010, 2011, 2012, or 2013, and'',

(B) by striking subparagraph (C),

(C) by redesignating subparagraph (D) as subparagraph (C), and

(D) in subparagraph (C), as so redesignated, by striking ''2012'' and inserting ''2013''.

(2) REDUCTION IN LIMITATION.—Section 179(b)(2) of such Code is amended—

(A) by striking ''2010 or 2011,'' in subparagraph (B) and inserting ''2010, 2011, 2012, or 2013, and'',

(B) by striking subparagraph (C),

(C) by redesignating subparagraph (D) as subparagraph (C), and

(D) in subparagraph (C), as so redesignated, by striking ''2012'' and inserting ''2013''.

(3) CONFORMING AMENDMENT.—Subsection (b) of section 179 of such Code is amended by striking paragraph (6).

(b) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) of the Internal Revenue Code of 1986 is amended by striking ''2013'' and inserting ''2014''.

(c) ELECTION.—Section 179(c)(2) of the Internal Revenue Code of 1986 is amended by striking ''2013'' and inserting ''2014''.

(d) SPECIAL RULES FOR TREATMENT OF QUALIFIED REAL PROPERTY.—

(1) IN GENERAL.—Section 179(f)(1) of the Internal Revenue Code of 1986 is amended by striking ''2010 or 2011'' and inserting ''2010, 2011, 2012, or 2013''.

(2) CARRYOVER LIMITATION.—

(A) IN GENERAL.—Section 179(f)(4) of such Code is amended by striking ''2011'' each place it appears and inserting ''2013''.

(B) CONFORMING AMENDMENT.—The heading for subparagraph (C) of section 179(f)(4) of such Code is amended by striking ''2010'' and inserting ''2010, 2011 AND 2012''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

SEC. 6. INSTRUCTIONS FOR TAX REFORM.

(a) IN GENERAL.—The Senate Committee on Finance shall report legislation not later than 12 months after the date of the enactment of this Act that consists of changes in laws within its jurisdiction which meet the requirements of subsection (b).

(b) REQUIREMENTS.—Legislation meets the requirements of this subsection if the legislation—

(1) simplifies the Internal Revenue Code of 1986 by reducing the number of tax preferences and reducing individual tax rates proportionally, with the highest individual tax rate significantly below 35 percent;

(2) permanently repeals the alternative minimum tax;

(3) is projected, when compared to the current tax policy baseline, to be revenue neutral or result in revenue losses;

(4) has a dynamic effect which is projected to stimulate economic growth and lead to increased revenue;

(5) applies any increased revenue from stimulated economic growth to additional rate reductions and does not permit any such increased revenue to be used for additional Federal spending;

(6) retains a progressive tax code; and

(7) provides for revenue-neutral reform of the taxation of corporations and businesses by—

(A) providing a top tax rate on corporations of no more than 25 percent; and

(B) implementing a competitive territorial tax system.

Mr. HATCH. Madam President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment.

The clerk will call the roll.

The bill clerk called the roll.

Mr. KYL. The following Senator is necessarily absent: the Senator from Illinois (Mr. KIRK).

The VICE PRESIDENT. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 45, nays 54, as follows:

[Rollcall Vote No. 183 Leg.]

YEAS—45

Alexander	Graham	Moran
Ayotte	Grassley	Murkowski
Barrasso	Hatch	Paul
Blunt	Heller	Portman
Boozman	Hoeven	Pryor
Burr	Hutchison	Risch
Chambliss	Inhofe	Roberts
Coats	Isakson	Rubio
Coburn	Johanns	Sessions
Cochran	Johnson (WI)	Shelby
Corker	Kyl	Snowe
Cornyn	Lee	Thune
Crapo	Lugar	Toomey
DeMint	McCain	Vitter
Enzi	McConnell	Wicker

NAYS—54

Akaka	Franken	Mikulski
Baucus	Gillibrand	Murray
Begich	Hagan	Nelson (NE)
Bennet	Harkin	Nelson (FL)
Bingaman	Inouye	Reed
Blumenthal	Johnson (SD)	Reid
Boxer	Kerry	Rockefeller
Brown (MA)	Klobuchar	Sanders
Brown (OH)	Kohl	Schumer
Cantwell	Landrieu	Shaheen
Cardin	Lautenberg	Stabenow
Carper	Leahy	Tester
Casey	Levin	Udall (CO)
Collins	Lieberman	Udall (NM)
Conrad	Manchin	Warner
Coons	McCaskill	Webb
Durbin	Menendez	Whitehouse
Feinstein	Merkley	Wyden

NOT VOTING—1

Kirk

The amendment (No. 2573) was rejected.

The VICE PRESIDENT. The majority leader.

Mr. REID. Mr. President, the Republicans' tax hike on the middle class has just been defeated. Their plan would have raised taxes by about $1,000 for 25 million middle-class families while giving millionaires an average of a $160,000 tax break. So let's look at that. Their bill would have raised taxes on 25 million middle-class families by about $1,000 a year, and it would have given millionaires a $160,000 tax break. Those numbers are staggering. Their bill would have raised taxes on parents trying to pay for college, on families—especially large families—with children. So it is no wonder a majority of Senators opposed that legislation.

In just a short time there will be a bill that will pass cut taxes for 98 percent of Americans, including every middle-class taxpayer and more than 97 percent of small businesses. This plan, proposed by President Obama, would cut taxes for 114 million American families. Theirs raises taxes for 25 million middle-class families. This is the only bill that has a chance of becoming law, so it is the only plan that would actually give a middle-class family the security of avoiding their fiscal cliff. The House should take up this legislation and pass it.

President Obama believes we must keep taxes low for 98 percent of Americans. Democrats agree. So do the majority of Americans. A majority of Americans, including a majority of Republicans, around this country believe taxes should remain low for the middle class but the top 2 percent should pay their fair share to reduce the debt. The bill the Senate is about to pass respects the will of the American people, including a majority of Republicans in America outside the Halls of this Congress. Republican Members of Congress disagree with a majority of Republicans.

The President, of course, has said he will sign the bill immediately. But now Republicans are threatening to hide behind yet another arcane procedural maneuver to stall this crucial legislation, and this will get the attention of the American people. They are threatening to do something called blue slip this because revenue-raising resolutions must be originated in the House of Representatives. But my Republican colleagues have very short memories. Senate Republicans are all too happy to bypass the procedural hoop when it suits their purposes. They are willing to go around it when it is time to reauthorize the FAA. They were willing to sidestep it when we passed the Violence Against Women Act. We did that here in the Senate. They were willing to dodge it when we passed the Transportation bill that was so important to this country. But now their excuse for stalling a tax cut for 98 percent of the American people is an old procedural trick that the American people do not understand, and rightfully so.

If Republicans in the House fail to act on this bill, taxes will rise by $2,200 for the typical middle-class family of four. That is $2,200 less to spend on gas, groceries, rent, and life in general for these people. This tax hike on ordinary families couldn't come at a worse time—just as our economy is doing its utmost to get back on its feet.

Republicans should not force middle-class families off their fiscal cliff to protect more wasteful giveaways to millionaires and billionaires—an average of $160,000 a year per millionaire. Democrats believe this country can't afford more budget-busting giveaways for the top 2 percent of earners. Again, Republicans in America agree with us. It is only here in the Senate that the Republicans don't agree. But that is a debate we are willing to have, and the House Republicans need not hold tax cuts for the middle class hostage in order to have that debate. They can and should pass our middle-class tax cuts immediately.

Once we give middle-class families security, we can spend the next 5 months debating whether wealthy families need more tax breaks. We know how the American people feel—just like we do.

The VICE PRESIDENT. The Republican leader.

Mr. MCCONNELL. Mr. President, first let me welcome the Vice President here today, our good friend who served for so many years in the Senate.

It reminds me of the negotiation he and I conducted in December of 2010. I got a call from the Vice President one day, and he said: The President thought we ought to talk about the possibility of extending the current tax rates for everyone because the economy is not doing very well, and the worst thing we could do would be to raise taxes on anyone in the middle of this economic situation.

I said: Mr. Vice President, I think that is something we would be interested in.

So the Vice President and I negotiated for a period of time and agreed that because the economy was not doing well in December 2010, we ought to extend the current tax rates for everyone.

I can remember the signing ceremony. I was there. The majority leader was not. The Speaker of the House was not. The President made a speech in signing an extension of the current tax rates for everyone that I could have made myself. Forty Members of the Senate on the Democratic side voted for it.

Today, my colleagues, the economy is growing slower than it was in December of 2010. So we know this is not about the economy; we know this is about the election. We all know there is an election going on. There is politics from time to time practiced here in the Senate. I am not offended by that. But I think what the American people would like to hear from us is a response to the economic situation.

This proposal guarantees that taxes will go up on roughly 1 million of our most successful small businesses. Over 50 percent of small business income—25 percent of the workforce—will be affected by it. It guarantees that taxes will go up on capital gains, on dividends, which provide the income for a huge number of our senior citizens. This is a uniquely bad idea. It may poll well, as my friend the majority leader indicated, but, of course, the fact that he needed to mention that illustrates the point that this is more about the election than it is about the economy.

So I would predict there will probably be bipartisan opposition to this proposal. I am sure a few arms have been twisted in order to get the result. The Vice President is at a disadvantage: he can't speak, being an occupant of the chair. But in this particular instance, he is actually better not to because he would have the dilemma of trying to explain the difference between the economic situation the country confronts today and the condition the country confronted in December of 2010 when the economy was doing better. So be grateful, I say to my friend the Vice President. This is a debate I don't think you would want to lead.

With that, my colleagues and friends, I urge a ''no'' vote on this very, very bad idea for the U.S. economy.

The VICE PRESIDENT. The majority leader.

Mr. REID. Mr. President, in 2010 the country was staring at what had taken place the prior 8 years—8 million jobs lost. What has happened in the years since 2010 that my friend the Republican leader talks about? This administration has created 4.5 million jobs. We haven't filled the hole we lost during the 8 years of the prior President, but we have made some progress. We all acknowledge we need to do more, but don't ever compare today with 2010.

First of all, everyone understands, all you folks who love to give tax cuts to the millionaires, our bill does that also. The first $250,000 they make is treated just like a middle-class family.

I would also point everyone to this. I have talked about the Republicans around the country supporting this legislation. Of course they do. They know the deficit needs to be handled, and they know that about $1 trillion is what our legislation will do to fill the hole of the debt.

But also, people who are in this great country of ours who have done so well understand that they are supposed to contribute more. They know that. My friend doesn't like to hear polls, but let me give him another one. Sixty-five percent of these really rich people are willing to pay more taxes. Again, the people who are unwilling to do this are people who signed a pledge for this person, Grover Norquist. And remember, there was a little vacillating about a month ago, so he came up here and had somebody renew their vows with him.

So we are on the side of the angels; we are on the side of the American people because this legislation that is going to pass is what is good for the American people. And I ask that we have that vote now.

Mr. MCCONNELL addressed the Chair.

Mr. REID. Remember, I always get the last word.

Mr. MCCONNELL. Let me briefly add that I listened carefully to what my friend the majority leader said. He once again was making it clear this is about the campaign. It is about the campaign and not about the economy.

But if you listen carefully to the rhetoric, what he is saying here is that these million businesses didn't create this success; that we somehow need to take this money because we will spend it better on their behalf.

Now, I know my colleague is going to get the last word, and that is fine. I am happy for him to have it. But the fact is this: The economy is in worse shape today than it was in December of 2010—worse shape today. The growth rate is slower. The President signed this bill, advocated its passage back then because the economy didn't need to get hit with a big tax increase. The growth rate is slower today. The economic situation remains largely the same. The worst we could do in the middle of this economic condition is to pass this tax increase.

Now my friend the majority leader can have the last word, and then we will be happy to go to a vote.

The VICE PRESIDENT. The majority leader.

Mr. REID. Mr. President, they may have different newspapers in Kentucky than I read. I get my Nevada clips every day. I try to read some papers from back home. We have now 28 months of job growth in the private sector, 20 months in a row. That is pretty good.

This legislation is about the debt. It is about the debt. We have to do something about the debt, and we have tried mightily to do that. We have tried mightily.

We had the Conrad-Judd Gregg legislation. Seven people who are Republican Senators who cosponsored that wouldn't vote for it and allow me to get it on the floor because they had adopted the Republican leader's philosophy that the most important thing we can do is defeat President Obama for reelection. Then we went to Bowles-Simpson, which was a program we put together when we couldn't get that legislation. That was so good, by two of our best financial minds in the Senate, Judd Gregg and KENT CONRAD. And Bowles-Simpson didn't make it. Then we had a series of talks with the President and the Speaker. Always, we could never quite get it done. Why? Even though my friend and I care about him, JOHN BOEHNER said, I want to do big things, not little things. One of the little things he couldn't do is get his caucus to agree to just a little bit of revenue so we could have a deal, the grand bargain. Then we tried the BIDEN talks. The majority leader in the House of Representatives walked out on those talks. Then we had the supercommittee, and about 1 week before, by statute, PATTY MURRAY and her troops were supposed to offer the legislation, I got a letter signed by virtually every Republican Senator saying: No thanks. Grover wins again. No revenues.

This is about our country, about doing something about a debt. It will contribute about $1 trillion to the debt. That is not bad.

The VICE PRESIDENT. The Republican leader.

Mr. MCCONNELL. Mr. President, I heard my good friend the majority leader say this is about the deficit. This will produce enough revenue to operate the government for about 1 week. This would produce about enough revenue to operate the government for about 1 week.

This is not about the deficit or the debt, this is about the campaign. We all know there is a campaign going on, but why don't we do serious legislating here? No budget, no appropriation bills, no DOD authorization bill. When are we going to actually pass things in the Senate?

This is a uniquely bad idea for the economy. The good news that I can say to the American people is that it isn't going to happen today. It ought not to

happen anytime. This is part of the fiscal cliff we are facing at the end of the year. The Chairman of the Fed is concerned about it, the Congressional Budget Office, which Republicans certainly don't run, is concerned about it. We have heard talk on the other side that we should have Thelma and Louise economics and just drive the country right off the cliff. We all get in the car and go right off the cliff together and see what it is like.

The American people know a campaign is going on, but why don't we in here try to do something important for the country now. The campaign will take care of itself. This is not a serious piece of legislation because it is not going anywhere, and thank goodness it is not going anywhere because it would be bad for the economy and the single worst thing we could do to the country.

The VICE PRESIDENT. The majority leader.

Mr. REID. Mr. President, required reading for decades now has been George Orwell. College students read it now just like I did when I was in college. George Orwell came to the conclusion that we have arrived at a time where up is down and down is up, and that is what my friend, the Republican leader, has done. If there were ever a statement Orwellian, it is his.

We haven't done the appropriations bill. Stop and think just 1 minute. Does the minority leader think 85 filibusters had anything to do with that? Eighty-five filibusters. We haven't done a budget. That is poppycock. We have one. We did it, and my Republican friends—I appreciate it—voted with us. We have our numbers right now. We could have done every appropriations bill. Chairman INOUYE marked them up. We can't do them because we have to overcome 85 filibusters.

For my friend to say, let's do something important, please—is this bill we are going to pass important? You bet it is. He said it would only pay for the government for 1 week or whatever the number was. Over 10 years, it is $1 trillion. Over 1 year, it is $100 billion. Even in Las Vegas that is not chump change.

I wish we would vote now.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The VICE PRESIDENT. The question is on the passage of S. 3412.

Mr. MCCONNELL. I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

Mr. KYL. The following Senator is necessarily absent: the Senator from Illinois (Mr. KIRK).

The VICE PRESIDENT. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 48, as follows:

[Rollcall Vote No. 184 Leg.]

YEAS—51

Akaka	Gillibrand	Murray
Baucus	Hagan	Nelson (NE)
Begich	Harkin	Nelson (FL)
Bennet	Inouye	Pryor
Bingaman	Johnson (SD)	Reed
Blumenthal	Kerry	Reid
Boxer	Klobuchar	Rockefeller
Brown (OH)	Kohl	Sanders
Cantwell	Landrieu	Schumer
Cardin	Lautenberg	Shaheen
Carper	Leahy	Stabenow
Casey	Levin	Tester
Conrad	Manchin	Udall (CO)
Coons	McCaskill	Udall (NM)
Durbin	Menendez	Warner
Feinstein	Merkley	Whitehouse
Franken	Mikulski	Wyden

NAYS—48

Alexander	Enzi	McConnell
Ayotte	Graham	Moran
Barrasso	Grassley	Murkowski
Blunt	Hatch	Paul
Boozman	Heller	Portman
Brown (MA)	Hoeven	Risch
Burr	Hutchison	Roberts
Chambliss	Inhofe	Rubio
Coats	Isakson	Sessions
Coburn	Johanns	Shelby
Cochran	Johnson (WI)	Snowe
Collins	Kyl	Thune
Corker	Lee	Toomey
Cornyn	Lieberman	Vitter
Crapo	Lugar	Webb
DeMint	McCain	Wicker

NOT VOTING—1

Kirk

The bill (S. 3412) was passed, as follows:

S. 3412

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

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Middle Class Tax Cut Act''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title; etc.

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

Sec. 101. Temporary extension of 2001 tax relief.
Sec. 102. Temporary extension of 2003 tax relief.
Sec. 103. Temporary extension of 2010 tax relief.
Sec. 104. Temporary extension of election to expense certain depreciable business assets.

TITLE II—ALTERNATIVE MINIMUM TAX RELIEF

Sec. 201. Temporary extension of increased alternative minimum tax exemption amount.
Sec. 202. Temporary extension of alternative minimum tax relief for nonrefundable personal credits.

TITLE III—BUDGETARY EFFECTS

Sec. 301. Budgetary effects.

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

SEC. 101. TEMPORARY EXTENSION OF 2001 TAX RELIEF.

(a) TEMPORARY EXTENSION.—

(1) IN GENERAL.—Section 901(a)(1) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''December 31, 2012'' and inserting ''December 31, 2013''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(b) APPLICATION TO CERTAIN HIGH-INCOME TAXPAYERS.—

(1) INCOME TAX RATES.—

(A) TREATMENT OF 25- AND 28-PERCENT RATE BRACKETS.—Paragraph (2) of section 1(i) is amended to read as follows:

''(2) 25- AND 28-PERCENT RATE BRACKETS.—The tables under subsections (a), (b), (c), (d), and (e) shall be applied—

''(A) by substituting '25%' for '28%' each place it appears (before the application of subparagraph (B)), and

''(B) by substituting '28%' for '31%' each place it appears.''.

(B) 33-PERCENT RATE BRACKET.—Subsection (i) of section 1 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) 33-PERCENT RATE BRACKET.—

''(A) IN GENERAL.—In the case of taxable years beginning after December 31, 2012—

''(i) the rate of tax under subsections (a), (b), (c), and (d) on a taxpayer's taxable income in the fourth rate bracket shall be 33 percent to the extent such income does not exceed an amount equal to the excess of—

''(I) the applicable amount, over

''(II) the dollar amount at which such bracket begins, and

''(ii) the 36 percent rate of tax under such subsections shall apply only to the taxpayer's taxable income in such bracket in excess of the amount to which clause (i) applies.

''(B) APPLICABLE AMOUNT.—For purposes of this paragraph, the term 'applicable amount' means the excess of—

''(i) the applicable threshold, over

''(ii) the sum of the following amounts in effect for the taxable year:

''(I) the basic standard deduction (within the meaning of section 63(c)(2)), and

''(II) the exemption amount (within the meaning of section 151(d)(1) (or, in the case of subsection (a), 2 such exemption amounts).

''(C) APPLICABLE THRESHOLD.—For purposes of this paragraph, the term 'applicable threshold' means—

''(i) $250,000 in the case of subsection (a),

''(ii) $225,000 in the case of subsection (b),

''(iii) $200,000 in the case of subsections (c), and

''(iv) ½ the amount applicable under clause (i) (after adjustment, if any, under subparagraph (E)) in the case of subsection (d).

''(D) FOURTH RATE BRACKET.—For purposes of this paragraph, the term 'fourth rate bracket' means the bracket which would (determined without regard to this paragraph) be the 36-percent rate bracket.

''(E) INFLATION ADJUSTMENT.—For purposes of this paragraph, with respect to taxable years beginning in calendar years after 2012, each of the dollar amounts under clauses (i), (ii), and (iii) of subparagraph (C) shall be adjusted in the same manner as under paragraph (1)(C), except that subsection (f)(3)(B) shall be applied by substituting '2008' for '1992'.''.

(2) PHASEOUT OF PERSONAL EXEMPTIONS AND ITEMIZED DEDUCTIONS.—

(A) OVERALL LIMITATION ON ITEMIZED DEDUCTIONS.—Section 68 is amended—

(i) by striking ''the applicable amount'' the first place it appears in subsection (a) and inserting ''the applicable threshold in effect under section 1(i)(3)'',

(ii) by striking ''the applicable amount'' in subsection (a)(1) and inserting ''such applicable threshold'',

(iii) by striking subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively, and

(iv) by striking subsections (f) and (g).

(B) PHASEOUT OF DEDUCTIONS FOR PERSONAL EXEMPTIONS.—

(i) IN GENERAL.—Paragraph (3) of section 151(d) is amended—

(I) by striking ''the threshold amount'' in subparagraphs (A) and (B) and inserting ''the applicable threshold in effect under section 1(i)(3)'',

(II) by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C), and

(III) by striking subparagraphs (E) and (F).

(ii) CONFORMING AMENDMENTS.—Paragraph (4) of section 151(d) is amended—

(I) by striking subparagraph (B),

(II) by redesignating clauses (i) and (ii) of subparagraph (A) as subparagraphs (A) and (B), respectively, and by indenting such subparagraphs (as so redesignated) accordingly, and

(III) by striking all that precedes ''in a calendar year after 1989,'' and inserting the following:

''(4) INFLATION ADJUSTMENT.—In the case of any taxable year beginning''.

(c) EFFECTIVE DATE.—Except as otherwise provided, the amendments made by this section shall apply to taxable years beginning after December 31, 2012.

(d) APPLICATION OF EGTRRA SUNSET.—Each amendment made by subsection (b) shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 to the same extent and in the same manner as if such amendment was included in title I of such Act.

SEC. 102. TEMPORARY EXTENSION OF 2003 TAX RELIEF.

(a) EXTENSION.—

(1) IN GENERAL.—Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking ''December 31, 2012'' and inserting ''December 31, 2013''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

(b) 20-PERCENT CAPITAL GAINS RATE FOR CERTAIN HIGH INCOME INDIVIDUALS.—

(1) IN GENERAL.—Paragraph (1) of section 1(h) is amended by striking subparagraph (C), by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F) and by inserting after subparagraph (B) the following new subparagraphs:

''(C) 15 percent of the lesser of—

''(i) so much of the adjusted net capital gain (or, if less, taxable income) as exceeds the amount on which a tax is determined under subparagraph (B), or

''(ii) the excess (if any) of—

''(I) the amount of taxable income which would (without regard to this paragraph) be taxed at a rate below 36 percent, over

''(II) the sum of the amounts on which a tax is determined under subparagraphs (A) and (B),

''(D) 20 percent of the adjusted net capital gain (or, if less, taxable income) in excess of the sum of the amounts on which tax is determined under subparagraphs (B) and (C),''.

(2) MINIMUM TAX.—Paragraph (3) of section 55(b) is amended by striking subparagraph (C), by redesignating subparagraph (D) as subparagraph (E), and by inserting after subparagraph (B) the following new subparagraphs:

''(C) 15 percent of the lesser of—

''(i) so much of the adjusted net capital gain (or, if less, taxable excess) as exceeds the amount on which tax is determined under subparagraph (B), or

''(ii) the excess described in section 1(h)(1)(C)(ii), plus

''(D) 20 percent of the adjusted net capital gain (or, if less, taxable excess) in excess of the sum of the amounts on which tax is determined under subparagraphs (B) and (C), plus''.

(c) CONFORMING AMENDMENTS.—

(1) The following provisions are each amended by striking ''15 percent'' and inserting ''20 percent'':

(A) Section 531.

(B) Section 541.

(C) Section 1445(e)(1).

(D) The second sentence of section 7518(g)(6)(A).

(E) Section 53511(f)(2) of title 46, United States Code.

(2) Sections 1(h)(1)(B) and 55(b)(3)(B) are each amended by striking ''5 percent (0 percent in the case of taxable years beginning after 2007)'' and inserting ''0 percent''.

(3) Section 1445(e)(6) is amended by striking ''15 percent (20 percent in the case of taxable years beginning after December 31, 2010)'' and inserting ''20 percent''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided, the amendments made by subsections (b) and (c) shall apply to taxable years beginning after December 31, 2012.

(2) WITHHOLDING.—The amendments made by paragraphs (1)(C) and (3) of subsection (c) shall apply to amounts paid on or after January 1, 2013.

(e) APPLICATION OF JGTRRA SUNSET.—Each amendment made by subsections (b) and (c) shall be subject to section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 to the same extent and in the same manner as if such amendment was included in title III of such Act.

SEC. 103. TEMPORARY EXTENSION OF 2010 TAX RELIEF.

(a) AMERICAN OPPORTUNITY TAX CREDIT.—

(1) IN GENERAL.—Section 25A(i) is amended by striking ''or 2012'' and inserting ''2012, or 2013''.

(2) TREATMENT OF POSSESSIONS.—Section 1004(c)(1) of division B of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking ''and 2012'' each place it appears and inserting ''2012, and 2013''.

(b) CHILD TAX CREDIT.—Section 24(d)(4) is amended—

(1) by striking ''AND 2012'' in the heading and inserting ''2012, AND 2013'', and

(2) by striking ''or 2012'' and inserting ''2012, or 2013''.

(c) EARNED INCOME TAX CREDIT.—Section 32(b)(3) is amended—

(1) by striking ''AND 2012'' in the heading and inserting ''2012, AND 2013'', and

(2) by striking ''or 2012'' and inserting ''2012, or 2013''.

(d) TEMPORARY EXTENSION OF RULE DISREGARDING REFUNDS IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.—Subsection (b) of section 6409 is amended by striking ''December 31, 2012'' and inserting ''December 31, 2013''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2012.

(2) RULE DISREGARDING REFUNDS IN THE ADMINISTRATION OF CERTAIN PROGRAMS.—The amendment made by subsection (d) shall apply to amounts received after December 31, 2012.

SEC. 104. TEMPORARY EXTENSION OF ELECTION TO EXPENSE CERTAIN DEPRECIABLE BUSINESS ASSETS.

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Section 179(b)(1) is amended—

(A) by striking ''and'' at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

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

''(D) $250,000 in the case of taxable years beginning in 2013, and'', and

(D) in subparagraph (E), as so redesignated, by striking ''2012'' and inserting ''2013''.

(2) REDUCTION IN LIMITATION.—Section 179(b)(2) is amended—

(A) by striking ''and'' at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

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

''(D) $800,000 in the case of taxable years beginning in 2013, and'', and

(D) in subparagraph (E), as so redesignated, by striking ''2012'' and inserting ''2013''.

(b) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking ''2013'' and inserting ''2014''.

(c) ELECTION.—Section 179(c)(2) is amended by striking ''2013'' and inserting ''2014''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

TITLE II—ALTERNATIVE MINIMUM TAX RELIEF

SEC. 201. TEMPORARY EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

(a) IN GENERAL.—Paragraph (1) of section 55(d) is amended—

(1) by striking ''$72,450'' and all that follows through ''2011'' in subparagraph (A) and inserting ''$78,750 in the case of taxable years beginning in 2012'', and

(2) by striking ''$47,450'' and all that follows through ''2011'' in subparagraph (B) and inserting ''$50,600 in the case of taxable years beginning in 2012''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

SEC. 202. TEMPORARY EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking ''or 2011'' and inserting ''2011, or 2012'', and

(2) by striking ''2011'' in the heading thereof and inserting ''2012''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

TITLE III—BUDGETARY EFFECTS

SEC. 301. BUDGETARY EFFECTS.

(a) PAYGO SCORECARD.—The budgetary effects of this Act shall not be entered on either PAYGO scorecard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010.

(b) SENATE PAYGO SCORECARD.—The budgetary effects of this Act shall not be entered on any PAYGO scorecard maintained for purposes of section 201 of S. Con. Res. 21 (110th Congress).

Mr. REID. Mr. President, I move to reconsider the vote.

Mr. DURBIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. KLOBUCHAR. Mr. President, I rise today in support of the Middle Class Tax Relief Act. This afternoon, I voted for legislation that would have extended the middle-class tax cuts through 2013.

In Minnesota, 2 million families and small businesses will see their Federal income taxes increase by an average of $1,600 unless the middle-class tax cuts are extended. Instead of waiting until the eleventh hour, this legislation would have provided certainty for families and small businesses that their already squeezed budgets won't have to be trimmed further in the coming year.

I would like to make clear that extending the middle-class tax cuts is just the first step. There is a growing majority here that favors comprehensive tax reform that would simplify the Tax Code, broaden the base, and lower tax rates. Passing the middle-class tax cuts today would give us time to reach consensus on the details of reform that would streamline our Tax Code, pay down our debt, and ensure the United States remains competitive.

We also must take action on the estate tax. If Congress does nothing, the exemption would drop to $1 million and the rate would rise to 55 percent. This is not an acceptable outcome and would hurt farmers and small businesses in Minnesota who have worked hard to build a legacy they can pass on to their children and grandchildren. In the past we have come together to pass compromise levels that don't harm farmers and small business owners, while still being mindful of our deficit. I will work to ensure it happens again.

Mr. BENNET. Mr. President, I rise to talk briefly about the estate tax and Colorado's agricultural community and small businesses. While I voted in favor of the Middle Class Tax Cut Act, I do not believe that this legislation represents an end to the tax reform debate in Washington. In particular, it is important that we find a bipartisan and responsible path forward on the estate tax that provides the necessary certainty for businesses and families across Colorado. This is vital for Colorado's economy. I am committed to working with my colleagues in Congress to establish an estate tax policy that works for small businesses, family farms and ranches, and all Coloradans.

CYBERSECURITY ACT OF 2012—MOTION TO PROCEED

Mr. REID. I now move to proceed to Calendar No. 470, S. 3414.

The VICE PRESIDENT. The clerk will report.

The bill clerk read as follows:

Motion to proceed to Calendar No. 470, S. 3414, a bill to enhance the security and resiliency of the cyber and communications infrastructure of the United States.

CLOTURE MOTION

Mr. REID. Mr. President, I have a cloture motion which has been filed at the desk and I ask that it be reported.

The VICE PRESIDENT. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The bill 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, hereby move to bring to a close debate on the motion to proceed to calendar No. 470, S. 3414, a bill to enhance the security and resiliency of the cyber and communications infrastructure of the United States.

Harry Reid, Joseph I. Lieberman, John D. Rockefeller IV, Dianne Feinstein, Sheldon Whitehouse, Barbara A. Mikulski, Barbara Boxer, Jeff Bingaman, Patty Murray, Max Baucus, Charles E. Schumer, Bill Nelson, Christopher A. Coons, Tom Udall, Carl Levin, Mark R. Warner, Ben Nelson.

Mr. REID. Mr. President, I now ask unanimous consent that the mandatory quorum under rule XXII be waived.

The VICE PRESIDENT. Without objection, it is so ordered.

HONORING SENATOR LEAHY AND SENATOR LUGAR

Mr. REID. Mr. President, I rise with great pleasure to honor my colleagues, Senator PATRICK LEAHY of Vermont and DICK LUGAR of Indiana, as they reach a milestone in their careers. They each cast a momentous vote just a short time ago. For Senator LEAHY, the vote just cast is his 14,000th rollcall vote. For Senator LUGAR—it is interesting that it is the same day and 1,000 votes apart—it is his 13,000th. These two fine men and dedicated Senators share the milestone purely by coincidence.

I applaud PAT LEAHY, my dear friend, who has always possessed a great drive to serve. Maybe it was growing up across from the State House in Montpelier that put the idea in his head from such a young age.

After graduating from Georgetown University Law School, PAT served 8 years as State's attorney for Vermont before coming to the Senate. He continues to exercise his fine legal mind as chairman of the Senate Judiciary Committee. Senator LEAHY has also led the fight against landmines, as well as numerous landmark pieces of legislation on which he has been the leader.

PAT is loved by the people of Vermont. His intellect and his oratorical skills, his boldness, and his persuasiveness are all overshadowed by one thing—by his teammate Marcelle. Marcelle is clearly his greatest asset.

I also commend my colleague Senator LUGAR on reaching his milestone of his 13,000th vote. Senator LUGAR is a fifth-generation Hoosier, a proud Navy veteran, and the longest serving Member of Congress in Indiana history. He is also a bit of an overachiever, graduating first in both his high school and college classes, and going on to become a Rhodes Scholar at Oxford.

As ranking member of the Foreign Relations Committee and past chairman of the committee, having served with the Presiding Officer for decades, he has dedicated his time in the Senate to reducing the threat of nuclear, chemical, and biological weapons.

It has been my distinct pleasure to watch both of these fine Senators work tirelessly on behalf of the United States. I congratulate both of them on their service and on reaching this impressive milestone.

The VICE PRESIDENT. The Republican leader.

Mr. MCCONNELL. Mr. President, as the majority leader has indicated, two legislative milestones have been reached in the Senate today by two dedicated and long-serving Senators who happen to be from different sides of the aisle. I pay tribute to the senior Senator from Vermont, Mr. LEAHY, for casting his 14,000th vote, and to the senior Senator from Indiana, Mr. LUGAR, for casting his 13,000th vote.

To put these milestones in perspective:

Senator LEAHY, a Member of the Senate since 1975, ranks sixth on the all-time rollcall vote list, most recently passing former Senator Pete Domenici. Senator LUGAR, who was first elected to the Senate 2 years later, in 1976, ranks tenth on the all-time list and most recently passed our former colleague and current occupant of the chair, Vice President JOE BIDEN. This is not only a remarkable accomplishment of longevity for both men, it is also an opportunity for their colleagues to honor them for their decades of service to the people of Indiana and of Vermont.

Senator LEAHY isn't just the second most senior Senator in this body, he is also the chairman of the Judiciary Committee and a senior member of the Agriculture and Appropriations Committees. PAT and I got to know each other pretty well, alternating as chairman and ranking member of the Foreign Operations Subcommittee of Appropriations for over a decade. Somehow he finds time to also be an amateur photographer and to have a blossoming movie career. I have no doubt he gives most of the credit, of course, to Marcelle, his wife, with whom he will be celebrating a far more important milestone in the next month, their 50th wedding anniversary. So congratulations to PAT on both counts.

As for our friend Senator DICK LUGAR, I have known him going back to my first Senate campaign. He is the longest serving Member of Congress in Indiana history and one of America's most widely respected voices on foreign policy. In a career filled with many achievements and milestones, Senator LUGAR's leadership on the Nunn-Lugar Cooperative Threat Reduction Program is, in my opinion, his greatest and most lasting achievement with the American people—not only for the American people and for the security of this country, but for the promotion of peace throughout the world. Because of Senator LUGAR's work, thousands of nuclear warheads have been dismantled and the world is, indeed, a safer place.

Like Senator LEAHY, I know Senator LUGAR would say none of this would have been possible without the love and support of his wife of 55 years, Charlene. So I congratulate them both on this milestone and I join my colleagues in once again paying tribute to

our two colleagues and this signature achievement.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BENNET). The Senator from Vermont.

Mr. SANDERS. Mr. President, I rise to congratulate my longtime friend and colleague from Vermont, Senator PATRICK LEAHY, on the occasion of his 14,000th vote. That is a lot of votes. In the long history of our Republic, only six Senators have achieved that milestone before him.

Born in Montpelier, VT, our State's capital, educated at St. Michael's High School in Montpelier, St. Michael's College in Colchester, VT, and Georgetown University Law School, Senator LEAHY was first elected to the Senate in 1974—the first and, to this date, only Democrat elected to the Senate from Vermont. I remember that campaign very well because I was in it, and PAT LEAHY got a lot more votes than I did.

Before assuming the office of U.S. Senator, PAT LEAHY gained a national reputation for law enforcement during his 8 years as State's attorney in Chittenden County—the State's largest county.

Over his 3½ decades here in the Senate, PATRICK LEAHY has many remarkable achievements. Let me just mention a few.

Cognizant of the suffering and tragedy that landmines cause for civilian populations, PATRICK LEAHY has led, in this body and, in fact, the entire U.S. Government, the campaign to end the production and use of antipersonnel landmines. Many lives and limbs have been saved as a result of Senator LEAHY's efforts.

With similar commitment and passion, as chair of the Senate Judiciary Committee, PATRICK LEAHY has led the effort to insist on fairness at the Department of Justice, to support free speech and a free press, and to require and maintain openness and transparency in government. At a time of major infringements on privacy rights in this country from both the private sector and the government, PAT LEAHY has been a strong champion of civil liberties and the Constitution of the United States.

Senator LEAHY, reflecting Vermont's very strong consciousness regarding the need to preserve our environment, has for many years been a champion of environmental protection and has been named over and over one of the top environmental legislators by the Nation's foremost conservation organizations. He has been, as Vermonters well know, a special champion in preserving the high quality of water in Lake Champlain, our beautiful lake, perhaps the most valuable natural resource we have in our State.

Today, I congratulate, on behalf of the people of the State of Vermont, Senator PATRICK LEAHY on the occasion of his 14,000th vote and look forward to working with him as closely in the future as we have worked in the past.

Mr. DURBIN. Mr. President, I want to add my voice to the well-deserved chorus of congratulations for our colleague and friend from Vermont.

Senator PATRICK LEAHY is the last remaining member of a historic class in the U.S. Senate, the class of 1974, better known as the ''Watergate babies.'' And he has been making history ever since.

Casting 14,000 votes in the Senate is kind of like joining the 3,000 Hit Club in baseball. It is an achievement many dream of but few actually reach.

More important than the number of votes Senator LEAHY has cast, however, is the wisdom and courage of his voting record.

It has been my privilege to serve on the Senate Judiciary Committee for more than 15 years. During that time Senator LEAHY has been either our committee chairman or its ranking member.

I have the greatest respect for PATRICK LEAHY's fidelity to the rule of law and his determined efforts to safeguard the independence and integrity of America's Federal courts. He is a champion of human rights at home and abroad.

I congratulate him on this milestone. As an old friend of his might say, just keep truckin' on.

Mr. President, I also want to congratulate another friend and colleague, Senator RICHARD LUGAR from Indiana.

Senator LUGAR knows that wisdom is not the exclusive property of any one political party.

He bases his political decisions not on polls or the passions of the day but on what his conscience and his own careful study tells him is right.

Two years ago, DICK LUGAR joined me in asking the President not to deport young people who were brought to this country at a young age by their parents.

When the DREAM Act was on the Senate floor a year and a half ago, Senator LUGAR was one of three Republicans who voted in support.

He coauthored the Nunn-Lugar Cooperative Threat Reduction Act—one of the most visionary and courageous bipartisan achievements in recent time.

His work on the Global Fund has helped the United States meet its commitment to the single most powerful tool in the fight against AIDS, tuberculosis and malaria.

Senator LUGAR has served six terms in the Senate, and he will be missed.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I want to thank, of course, the majority leader and the Republican leader, friends with whom I have served for years—and we have always been friends—for their kind words.

I want to thank my colleague from Vermont, another dear friend. Our careers have paralleled in many areas—from the time he was the mayor of our largest city, to being our lone Representative in the House of Representatives, to now being my partner here in the Senate.

Of course, as to my dear friend DICK LUGAR, we have worked together so many times. We alternated between being the chair and ranking member of the Senate Agriculture Committee. He did a great deal on the environment, passed an organic farm bill, did so many things, all the time when he was doing his invaluable work to protect our Nation against nuclear weapons.

Mr. President, I value the Senate. I love the Senate. It has been a major part of my life. But I was glad to hear both leaders mention the true love of my life, my wife of nearly 50 years. There is nothing I have accomplished throughout my whole public career that I could have done without Marcelle's help. Not only has she raised three wonderful children and is helping to raise five wonderful grandchildren, every single day I have been a better person because of her. When we first started the race for the Senate in 1974, few people said I could win. Marcelle and I campaigned together. She always said I could. And we did.

None of us know how long we might be in the Senate, but I have valued every single moment here, and I will value every single moment as long as I am here.

I am glad Marcelle is here. She is joined by my dear and valuable friend PETER WELCH, our Congressman from Vermont, and his wife Margaret, but also so many members of my staff. I feel that I have been blessed with the finest staff any Senator has ever had. Again, they are the ones every day who, if I look good and do something well on this floor, I give the credit. I joke that I am a constitutional impediment to them totally running everything. But thank goodness they are there. I will speak more about this at another time.

But it is a special feeling to be here with my friend DICK LUGAR, to hear the kinds words of my friend and colleague BERNIE SANDERS, to know that the other Member of our delegation—we are a huge delegation; all three Members—PETER WELCH is here. But especially I acknowledge Marcelle and Kevin, Alicia, and Mark, and their families. How wonderful it is to be here.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, what a pleasure it is to be with my colleague PAT LEAHY on this very special day. It was a great coincidence that the 13,000th vote and the 14,000th vote should occur this afternoon, but what a joyous moment to be with my friend on this experience.

I once again thank the leader MITCH MCCONNELL of our party and HARRY REID the majority leader of the Senate for their very generous remarks about both PAT and me.

I join PAT in extolling the virtues of those who have made such a difference in our lives. My wife Charlene, our 4

sons, our 13 grandchildren, our great-grandchildren—these are very precious people who have made such a difference in my life and made it possible for me to have good health and spirits throughout all this time and to enjoy thoroughly this experience.

I would just add to the remarks of my colleague that tomorrow we hope to have a little celebration in the Agriculture Committee room.

Long ago, at the beginning of our careers, PAT and I were situated at the end of the long table that stretched the length of the Agriculture Committee room. Our chairman, Herman Talmadge of Georgia, was at one end with Senator Jim Eastland of Mississippi. I am not certain what the rules of the Senate were at that time, but I recall that frequently both were enveloped in smoke at the end of the room, and it seemed to me that they were, in fact, developing whatever the policy was going to be and making decisions. As a matter of fact, sometimes they simply arose, and PAT and I were left to ponder really what had occurred.

So it was appropriate that our two portraits should be put at the end of the table, at the entry to the Agriculture Committee room, where we once sat as the most junior members and eventually ascended to the chairmanship, having great experiences together in farm policy and the ability to help feed the world.

I am grateful, likewise, for Vice President BIDEN's presence today because he was a wonderful partner in the Foreign Relations Committee for so many years. I was not aware that the Vice President would be in the chair. I told him I was somewhat embarrassed because my 13,000th vote finally eclipsed his votes, and he ranks now 11th. JOE was aware of that. He had in the chair today the rankings 1 through 11. So we are sort of all situated and still love each other in the process.

I thank all Senators for the honor that has been accorded for this opportunity to address the body. This has been a great experience of my life, and this has been a very special moment.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. MORAN. Mr. President, I ask unanimous consent to address the Senate as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORAN. Mr. President, first of all, I congratulate my colleagues, Senator LEAHY and Senator LUGAR, for this achievement and thank them for their service to the country.

I also appreciate the willingness of Senator COLLINS and Senator LIEBERMAN to allow me to speak for a few minutes before we return to the business at hand—legislation regarding cybersecurity.

USDA EMPLOYEE NEWSLETTER

I want to point out to my colleagues—and perhaps to the Department of Agriculture—something I saw today that caught my attention. In fact, it is amazing to me, this development.

This is the Department of Agriculture's—the USDA—employee newsletter I hold in my hand. In that newsletter, it says the following—it has a section in the newsletter that says ''Food Services Update.'' Well, the Department of Agriculture, which, in my view, has a serious and significant responsibility to promote agriculture, says this in their own newsletter:

One simple way to reduce your environmental impact while dining at our cafeterias is to participate in the ''Meatless Monday''. . . .

''Meatless Monday.''

This effort . . . encourages people not to eat meat on Mondays. . . .

How will going meatless one day of the week help the environment? The production of meat, especially beef (and dairy as well) has a large environmental impact. According to the U.N.—

''According to the U.N.''—

animal agriculture is a major source of greenhouse gases and climate change. It also wastes resources. It takes 7,000 kg of grain to make 1,000 kg of beef. In addition, beef production requires a lot of water, fertilizer, fossil fuels, and pesticides. In addition there are many health concerns related to the excessive consumption of meat. While a vegetarian diet could have a beneficial impact on a person's health and the environment, many people are not ready to make that commitment. Because Meatless Monday involves only one day a week, it is a small change that could produce big results.

Our own Department of Agriculture, again, at least from my perspective—and we ought to look at what the mission of the Department Agriculture is, and I think it will reflect what I am saying—is to promote agriculture, to help those who every day go to work to produce food, fiber, and fuel for this country and the world. Yet our own Department of Agriculture is encouraging people not to eat meat and indicates—from these statements, again, from their newsletter—that ''the USDA Headquarters Food Operations are a high profile opportunity to demonstrate USDA's commitment to USDA mission and initiatives.''

So it would not surprise me if what you see is that the Department of Agriculture somehow loses this newsletter. But it is posted on their Web site, and I would encourage Secretary Vilsack and the officials at the Department of Agriculture to rethink their role in discouraging something that is so vital to the U.S. economy and something so important to the Kansas economy.

We are a beef-producing State, and it generates significant revenue for Kansas farmers and ranchers and is one of the items that improve our balance of trade, as we export meat and beef around the world. Yet our own Department of Agriculture encourages people not to consume meat.

I think I will have more to say about this topic, but for the moment, in light of the kindness that was extended to me by the Senators, I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I thank my friend from Kansas. Normally, when you yield the floor to a colleague in the Senate, you are not sure how long they are going to speak. So he not only kept his word to speak for less than 3 minutes, he proved that he continues to have some lingering holdover reflexes from his service in the House of Representatives, where they always speak shorter than we do.

Mr. President, what is the pending business?

The PRESIDING OFFICER. The motion to proceed to S. 3414.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I rise to support that motion to proceed to S. 3414, which is the Cybersecurity Act of 2012, and I do so with the hope and request that all of our colleagues will vote yes on this motion to proceed so we can begin what I think is a crucial debate about how best to protect our national and economic security in this wired world where threats increasingly—and thefts—come not from land, sea, or sky, but from invisible strings of ones and zeros traveling through cyberspace.

This bill has been a long time in coming to the floor. A lot of work has been done on it. But I must say, I have a sense of confidence, certainly, about the inclination of the overwhelming majority of Members of the Senate to vote to proceed to this matter because I think everyone in the Chamber understands what we are dealing with is not a problem that is speculative or theoretical.

Anybody who has spent any time not even studying the classified materials on this but just reading the newspaper, following the media, knows that America is daily under constant cyber attack and cyber theft. The commander of Cyber Command, GEN Keith Alexander, said recently in a speech that cyber theft represented the largest transfer of wealth in human history.

That is stealing of industrial secrets and moving money from bank accounts. I believe he said it was as if we were having our future stolen from us. It is all happening over cyberspace. Obviously, enemies—both nation states, nonstate actors such as terrorist groups, organized criminal gangs, and just plain hackers—are finding ways to penetrate the cyber systems on which our society depends, the cyber systems that control critical infrastructure: electric grid, transportation system, the whole financial system, the dams that hold back water, et cetera, et cetera, et cetera.

This bill is not a solution in search of a problem. It is a problem that is real and cries out for the solution this bill would provide. There are some controversial parts of the bill. There has been some spirited debate both in committee and in the public media about it. There is a competing bill introduced by some of our colleagues called SECURE IT.

But I want to report to the Chamber and to the public that there was a significant breakthrough today where the lead cosponsors of our bill, Senators COLLINS, ROCKEFELLER, FEINSTEIN, CARPER, and I met with the lead cosponsors of the other bill, Senators CHAMBLISS, MCCAIN, and HUTCHISON, along with a group of Senators led by Senator KYL and Senator SHELDON WHITEHOUSE, who, along with Senator COONS, Senator MIKULSKI, Senator COATS, and others who have been working very hard to create common ground because they recognize the urgency of this challenge.

Well, this is good news. We got a motion to proceed, which, in the current schedule, will come up on Friday. I think it would send a message of real encouragement to the public that we can still get together across party lines on matters of urgent national security if we adopted that motion to proceed overwhelmingly, particularly now that we are engaged in dialogue with the leaders of these main bills and people trying to bridge gaps that began to meet today. We will meet again tomorrow morning. So I think we have a process going that can lead us to a very significant national security accomplishment.

I am going to yield at this time to Senator ROCKEFELLER, the chair of the Commerce Committee, whose committee produced a bill of its own. He worked very closely with Senator COLLINS and me to blend our bills. We did. Senator FEINSTEIN came along with her chairmanship of the Intelligence Committee of the Senate, did some tremendous work on the information-sharing provision, title VII of the bill before us.

I know Senator ROCKEFELLER has another engagement which he has to go to. So I am going to yield to him for his opening statement. Then Senator COLLINS, who, as always, for all these years, has been just the most steadfast, constructive, sturdy, reliable, creative partner in working on this bill. It gives me confidence that together we will see it to success next week. So I will now yield to the distinguished senior Senator from West Virginia, who is a real expert on this subject and has contributed enormously to the bill that is pending before the Senate now.

Mr. ROCKEFELLER. My dear colleague, I would feel better if the Senator from Maine spoke before I did.

The PRESIDING OFFICER (Mr. WHITEHOUSE.) The Senator from Maine.

Ms. COLLINS. Mr. President, that is very kind of the Senator from West Virginia. My statement is quite lengthy. So if the Senator from West Virginia, in light of his commitment, would like to precede me, I would be more than happy to have him do so. I would encourage him to go ahead. Then the Senator from Connecticut has graciously said he would allow me to go next. We are all so nice around here.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I wish all negotiations proceeded with such comity. For those of us who have lived long enough, we have seen, obviously, enormous transition. We are in a totally new age.

Today, as we begin our debate, over 200 billion e-mails will be sent around the world to every continent. Google, a company that really is just 10 years old, will process over 1 billion searches and stream more than 2 billion videos today. And in the next minute, about 36,000 tweets will be posted on Twitter. So we are now connected as we never have been before.

Here in the United States we have been the leader in both its development and adoption of the initial structure. Actually, it is interesting because it was created by our own government. The open nature of the Internet can be traced back to our initial decision in the government to relinquish control of what we had invented, so to speak. So to this day our Nation remains a leader in using the Internet's innovation and growth.

In just over a decade, we have digitized and networked our entire economy and our entire way of life. Every one of our most critical systems now relies upon these interconnected networks: power grids, transportation systems, gas pipelines, telecommunications. They all rely on networks to function. They all rely on the Internet. Yet the ramifications of this new era remain poorly understood by many; frankly, by most.

History teaches us that disruptive technological advancements can bring about both opportunities and also dangers. We cannot let our exuberance blind us from this simple truth. We cannot ignore the part of the equation in this happy adventure of ours that is unpleasant. This is it. These technological advances can compromise our national security and indeed are already doing so.

The connectivity brought about by the Internet and the new ability to access anything, combined with our decision as a country to put everything we hold dear on the Internet, means we are now vulnerable in ways that were unfathomable just a few years ago. Yes, we rushed to digitize and connect every aspect of the American economy and way of life. We have spent little time focusing on what this actually means with respect to our security. We have left ourselves extraordinarily vulnerable.

The consequences, as pointed out by the Senator from Connecticut, are devastating. Our intellectual property is our greatest asset as a nation. It is our greatest advantage in the world. It is currently being pilfered and stolen because it is connected to the Internet and therefore is unsecure.

Well, we did not think about that, did we? Experts have called this, as the Senator from Connecticut said, the greatest transfer of wealth in the history of the world. That is a dramatic statement, but it is just an absolute terrifying fact—terrifying fact.

Our most important personal information, including our credit card numbers, our financial data is now accessible via the Internet and is stolen through data breaches that occur all the time.

Most importantly, our critical infrastructure: water facilities and gas pipelines to our electric power grid and communications networks are now vulnerable to cyber attacks, and they are happening. Many of those systems were designed before the Internet. In fact, virtually all of these systems were designed before the Internet came about, and were never intended to be connected to a network. Yet they are. Therefore, they are unsecure.

If these systems are exploited via cyber vulnerabilities, lives could be lost. Yes, there is lots of other things that could happen before that, but this has the potential to be far greater than even the tragedy of 9/11.

In recent months we have learned that hackers penetrated the networks of companies that control our Nation's pipelines—gas pipelines. There have been attempts to penetrate the networks of companies that run nuclear power plants. Last year, a foreign computer hacker showed that he could access the control systems of a water facility in Texas with ease. He accomplished this task in minutes at a computer thousands of miles away.

Our critical infrastructure is being targeted, and it is vulnerable. The major general of our National Guard, James Hoyer, recently shared a frightening story with me. He was talking about his work on cybersecurity. He said in West Virginia, he learned that a critical infrastructure facility in the State—critical infrastructure facility; that means a really important one—its engineers were being allowed to operate control systems on their home computers. How naive. But who would know? Who would have guessed?

The Internet and what it has done for our country is unparalleled, but everything we have accomplished in this Internet age is now vulnerable and, in starker terms, undoable. We have built a castle in the sand and the tide is approaching. Our systems are too fragile, too critical, and too vulnerable. It is a recipe for disaster. It is time to do something about it before it is too late.

We have all known about the seriousness of our cyber situation for years. Our national security experts know it. Our law enforcement experts know it. And there is a bipartisan agreement that something needs to be done. But that does not tell us a lot, to make that statement in the Senate. In my capacity both as the chairman of the Commerce Committee and former chairman of the Senate Intelligence Committee, and still on that committee, I have become very familiar with the threat posed by cybersecurity. I have been working with my colleagues to address it.

For the past 3 years, a number of us have been working with both Republican and Democratic Senators to find

common ground on these issues so we can have a bill to get control of this. We have held hearings, we have held markups, we have held countless meetings with the private sector and interest groups. It is an endless, endless process, and the staff does four times as much.

We have been very patient in working to find a compromise. Now is the time to make that compromise happen. It will not happen today; it could happen in the next several days. We know what we need to do, I do believe. So here is what we know right now: The Federal Government needs to do a better job of protecting its own networks.

Companies control most of our Nation's critical infrastructure, and they need to do a better job of eliminating cyber vulnerabilities in their systems. There are no clear lines in the authorities and responsibilities in the Federal Government for cybersecurity, which will cause confusion in the event of a cyber catastrophe.

The private sector and the Federal Government need to be able to share information about cyber threats. Over the last year, the committees of jurisdiction in the Senate have worked together. The committees have worked together to finalize legislation that addresses each of those concerns.

Senators LIEBERMAN, FEINSTEIN, COLLINS, and I have made it a priority, as well as others, to finish this work together and with a broader group. We believe every Member of this body will be able to support some kind of legislation. We have put legislation before the Senate, but it is subject to change. In fact, it may be in the process of changing in a good sense because we held a long meeting this morning. We are going to have another one tomorrow, perhaps on a daily basis.

The basic thing we have done is that we took a more regulated approach. In other words, we have to do this. This is what we should do. At one level we should do it.

We have taken that away, and we have made it much more voluntary. We made it a voluntary approach. Some say that is worse than no bill at all, to which I reply, no, if we incent people properly with a voluntary approach, the pressure to do something is greater, particularly if they have to submit to audits as to the standards of work they are doing to protect themselves.

There are a variety of ways to do this. We could have a council—a DHS council that would decide what the standards should be. There was talk this morning about having a convening session called by NIST, National Institute of Science and Technology—which is very good at this stuff—convene the private sector and have those two work out a system. NIST has no regulatory authority, so they could let them come up with their suggestions. Then there was an idea that maybe DHS could look at that and certify it, stamp it with approval, on basic critical infrastructure. Of course, we would have to pick out which was the critical infrastructure because there is lots of it. Which one would be subject to special regard is something we would still have to work out.

This bill, however it works so far, and I think in the future, is bipartisan. There is some sort of tribulation about let's let bygones be bygones, we have all given up and compromised, to which my point of view is some of us have been working on this for a very long time, and we have been joined by others with good ideas. But don't close off the past or the future.

The bill will be bipartisan. It will incorporate the good ideas and suggestions that have been made by many colleagues. We have settled on a plan that creates no new bureaucracy. However that plan forms, it will have no new bureaucracies or heavy-handed regulation. That is already understood. It is premised on companies taking responsibility for securing their own networks, with government assistance where necessary. This bill represents a compromise, and it is time to move forward with it.

I think, in closing, back to the year 2000 and 2001. I was on the Intelligence Committee at the time of 9/11. The fact is, we get reports on all this which never surfaced, but we know the facts. There were signs of people moving around the country, and they weren't just sort of haphazardly moving around. In San Diego, a certain safe house there would appear and people were coming and going from there. Then there was the FBI office in Minneapolis and the Moussaoui case, and the FBI office in Minneapolis reported to the FBI Osama bin Laden office—and perhaps that didn't happen.

We all knew something was new and that the world was getting different. We knew the danger could come upon us. Our intelligence and national security leadership took these matters very seriously. However, they did not take it seriously enough, nor did we. So then it was too late and 9/11 happened, and the world changed forever.

Today, we have a new set of warnings flashing before us with a wide range of challenges to our security and safety and we once again face a choice: Act now and put in place safeguards to protect this country and our people or act later when it is too late. Obviously, the conclusion is we must act now.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, first, let me thank the Senator from West Virginia for his comments. He has worked so hard on this issue for many years but, in particular, the past 3 years, as he and the chair of the Senate Intelligence Committee, Senator FEINSTEIN, have worked with Senator LIEBERMAN and me.

I rise this evening to urge our colleagues to vote to begin the debate on the Cyber Security Act of 2012. Senator LIEBERMAN and I have introduced this bill along with our colleagues Senator ROCKEFELLER, Senator FEINSTEIN, and Senator CARPER. It has been a great pleasure to work with all of them—and work we have—in numerous sessions over literally a period of years, as we have attempted to merge the bills that were reported by the Commerce Committee and the Homeland Security Committee.

Of course, it is always a great pleasure to once again work with my dear friend the chairman of the Homeland Security Committee, Senator LIEBERMAN, as we bring forth yet another bipartisan bill to the Chamber for its consideration.

FBI Director Robert Mueller has warned that the cyber threat will soon equal or surpass the threat from terrorism. He has argued that we should be addressing the cyber threat with the same kind of intensity we have applied to the terrorist threat. This vital legislation would provide the Federal Government and the private sector with the tools needed to help protect our country from the growing cyber threat. It would promote information sharing, improve the security of the Federal Government's own networks, enhance research and development programs and, most important of all, it would help to better secure our Nation's most critical infrastructure from cyber attack. These are the powerplants, the pipelines, the water treatment facilities, the electrical grid, the transportation systems, and the financial networks upon which Americans rely each and every day.

The fact is the computerized industrial controls that open and close the valves and switches in our infrastructure are particularly vulnerable to cyber attack. Indeed, the Internet is under constant siege on all fronts by nations such as China, Russia, and Iran, by transnational criminals, by terrorist groups, by activists, and by persistent hackers. That is why our Nation's top national security and homeland security leaders from the current and former administrations have urged us to take legislative action to address this unacceptable risk to both our national security and our economic prosperity.

Earlier this year, Defense Secretary Leon Panetta described our bill as ''essential to addressing our Nation's critical infrastructure and network cyber security vulnerabilities, both of which pose serious national and economic security risks to our Nation.''

Just last month, the Secretary reiterated his call for Congress to pass our bill and stress the potential for a cyber attack to cripple our critical infrastructure in a way that would virtually paralyze this country.

The Director of National Intelligence, James Clapper, has also sounded the alarm. He has described the cyber threat as a ''profound threat to this country, to its future, its economy and its very being.''

The warnings have not been confined to officials in the Obama administration. Former national security officials, including Michael Chertoff, Michael McConnell, Paul Wolfowitz, Michael Hayden have written that the cyber threat ''is imminent and . . . represents one of the most serious challenges to our national security since the onset of the nuclear age sixty years ago.'' They have urged us to protect the ''infrastructure that controls our electricity, water and sewer, nuclear plants, communications backbone, energy pipelines, and financial networks'' with appropriate cyber security standards.

Similarly, in a letter to our colleague, Senator JOHN MCCAIN, GEN Keith Alexander, the commander of U.S. Cyber Command and the Director of the National Security Agency, wrote:

> Given DOD reliance on certain core critical infrastructure to execute its mission, as well as the importance of the Nation's critical infrastructure to our national and economic security overall, legislation is also needed to ensure that infrastructure is sufficiently hardened and resilient.

The threats to our infrastructure are not hypothetical; they are already occurring. For example, while many of the details are classified, we know multiple natural gas pipeline companies have been the target of a sophisticated cyber intrusion campaign that has been ongoing since December of last year.

The cyber threat to our critical infrastructure is also escalating in its frequency and severity. According to DHS's Industrial Control Systems Cyber Emergency Response Team, last year, almost 200 cyber intrusions were reported by critical infrastructure owners and operators. That is nearly a 400-percent increase from the previous year, and these are only the intrusions that have been reported to the Department of Homeland Security. Many go unreported and, even worse, many owners are not even aware their systems have been compromised.

What would a successful cyber attack on our critical infrastructure look like? We have just seen recently what a serious storm that leaves more than 1 million people without power can cause: the loss of life, the blow to economic activity, the hardship for the elderly, the nonworking traffic lights that resulted in accidents. Multiply that impact many times over if there were a sustained cyber attack that deliberately knocked out our electric grid.

The threat is not just to our national security but also to our economic edge, to our competitiveness. The rampant cyber theft targeting the United States by countries such as China has led to the ''greatest transfer of wealth in history,'' according to General Alexander. You have heard many of us use his quote. Let me give some specifics of his estimates. He believes American companies have lost about $250 billion a year through intellectual property theft, $114 billion to theft through cyber crime, and another $274 billion in downtime the thefts have caused.

In their op-ed earlier this year, former DNI McConnell, former Homeland Security Secretary Chertoff, and former Deputy Secretary of Defense Bill Lynn warned that the cost of cyber espionage and theft ''easily means billions of dollars and millions of jobs.'' The threat of a cyber attack doesn't just go to our national security, critical though that is. It also directly is a threat to America's ability to compete, to our economic edge.

In recent years, a growing number of U.S. firms, including sophisticated firms such as Google, Adobe, Lockheed Martin, RSA, Sony, NASDAQ, and many others have been hacked by malicious actors. Earlier this month, the security firm McAfee released a report on a highly sophisticated cyber intrusion dubbed ''Operation High Roller,'' which has attempted to steal more than $78 million in fraudulent financial transfers at at least 60 different financial institutions.

Trade associations have been attacked too. The Chamber of Commerce was the victim of a cyber attack for many months, blissfully unaware until informed by the FBI that its membership data was being stolen. The evidence of our cybersecurity vulnerability is overwhelming. It compels us to act.

Yesterday 18 experts in national security strongly endorsed the revised legislation we have introduced. The Aspen Homeland Security Group, made up of officials from both Republican and Democratic administrations and chaired by former Secretary Chertoff and former Congresswoman Jane Harman, urged the Senate to adopt a program of voluntary cybersecurity standards and strong positive incentives for critical infrastructure to implement those standards. This group called for action on our bill, saying:

> The country is already being hurt by foreign cyber intrusions, and the possibility of a devastating cyber attack is real. Congress must act now.

Mr. President, you have heard some Members of this body say that somehow this process has been rushed or the bill inadequately considered. Nothing could be further from the truth. Since 2005—7 years ago—our Homeland Security and Governmental Affairs Committee alone has held 10 hearings on cybersecurity. Other Senate committees have also held hearings, for a total of 25 hearings since 2009, not to mention numerous briefings the Presiding Officer and Senator MIKULSKI of Maryland have helped to convene—classified briefings—for any Member to attend.

In 2010, Chairman LIEBERMAN, Senator CARPER, and I introduced our cybersecurity bill, which was reported by our committee later that same year. As I indicated, we have been working with Chairman ROCKEFELLER to merge our bill with legislation he has championed, which was reported by the Commerce Committee. We have also worked very closely with Senator FEINSTEIN, an expert on information sharing.

The bill we are urging our colleagues to proceed to today is the product of these efforts. It also incorporates substantial changes based on the feedback from the private sector, our colleagues, and the administration.

This new bill is a good-faith effort to address the concerns raised by Members on both sides of the aisle by establishing a framework that relies upon the expertise of government and the innovation of the private sector. It improves privacy protections that Americans expect from their government.

It also reflects many concepts proposed by Senators KYL, WHITEHOUSE—the Presiding Officer—BLUNT, COATS, GRAHAM, MIKULSKI, BLUMENTHAL, and COONS. We have revised our bill in a very substantial way. We have abandoned the approach—which I still believe to be a good idea—of mandatory standards and, instead, have adopted a voluntary approach to standards. This is a significant change from our initial bill, and it was one that was promoted by Senator KYL's and Senator WHITEHOUSE's group.

The new version encourages owners of critical infrastructure to voluntarily adopt the cybersecurity practices in exchange for various incentives for entities complying with these best practices. This was also one of the primary recommendations of the House Republican Cybersecurity Task Force.

These incentives include liability protection against punitive damages. I, for one, am open to making that a more robust liability protection. They include the opportunity to receive expedited security clearances, eligibility for prioritized technical assistance from the government, and access to timely cyber threat information held by the government.

These major changes from the approach we initially proposed demonstrate our willingness to adopt alternatives recommended in good faith by our colleagues, and we are still open to changes to the bill.

Our bill also includes strong information-sharing provisions that promote voluntary information sharing within the private sector and the government, while ensuring that privacy and civil liberties are protected. And again, we incorporated some suggestions from the Democratic side of the aisle to strengthen these provisions.

To be sure, more information sharing is essential to improving our understanding of the risks and threats. But let us be clear: More information sharing, while absolutely essential, is not sufficient to ensure our Nation's vital, critical infrastructure is protected. If you survey the vast majority of experts in this field, they will tell you that to pass a bill that only provides for more information sharing does not begin to accomplish the job that must be done

to better secure our Nation from this threat.

With 85 percent of our Nation's critical infrastructure owned by the private sector, government obviously must work with the private sector. Our bill—both our original bill and our revised bill—has always envisioned a partnership between government and the private sector. We have a very stringent definition of what constitutes covered critical infrastructure. It is infrastructure whose disruption could result in truly catastrophic consequences.

What do I mean by that? I am talking about mass casualties or mass evacuations or severe degradation of our national security or a serious blow to our economy. That is the kind of disruption we are talking about. Obviously those who have claimed that every company or every part of our infrastructure is going to be considered as critical infrastructure have not read the definition in our bill.

But here is more evidence of why we must act. A study done in 2011 by the computer security firm McAfee and CSIS revealed that approximately 40 percent of the companies surveyed—the critical infrastructure companies—were not regularly patching and updating their software, despite the fact these safeguards are among the most basic and widely known cybersecurity risk mitigation practices. We have even found reports where companies haven't bothered to change the default password that came with the industrial control software. In many cases, the control devices used to operate our Nation's most critical infrastructure are inherently insecure.

A Washington Post special report last month noted that security researchers found six out of seven control system devices are ''riddled with hardware and software flaws,'' and that ''some included back doors that enabled hackers to download passwords or sidestep security completely.''

Another front-page story in the Post earlier this month highlighted the fact that as technological advances have allowed everyone from plant managers to hospital nurses to control their systems remotely via the Internet, these vital systems have become even more vulnerable to cyber attacks. To prove the point, the story described how a security researcher was able to easily steal passwords from a provider that connects millions of these systems to the Internet.

These examples illustrate that far too many critical infrastructure owners are not taking even the most basic measures to protect their systems, and this is simply dangerous and unacceptable to the security of our country. These basic practices need not be expensive. In most cases, they are not expensive. And I will tell you, they are a lot less costly than the consequences of a breach, not to mention a major cyber attack.

A recent report by Verizon, the Secret Service, and other international law enforcement agencies analyzed 855 data breaches and found that 96 were not difficult to pull off and 97 percent of them could have been prevented through fairly simple and inexpensive means.

The point is, we must act, and we must act now. We cannot afford to wait for a cyber 9/11 before taking action on this legislation.

In all the years I have been working to identify vulnerabilities facing our country in the area of homeland security, I cannot identify another area where I believe the threat is greater and that we have done less.

I urge my colleagues to listen to the wisdom of former Homeland Security Secretary Michael Chertoff and former NSA Chief General Hayden. They wrote the following:

> We carry the burden of knowing that 9/11 might have been averted with the intelligence that existed at the time. We do not want to be in the same position again when ''cyber 9/11'' hits—it is not a question of ''whether'' this will happen; it is a question of ''when.''

And this time all the dots have been connected. This time we know that attacks are occurring against our Internet systems and cyber systems each and every day. This time the warnings from all across the board are loud and clear. I urge our colleagues to heed these warnings and to support the motion to proceed to the cybersecurity bill.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I thank my dear friend, the ranking member on the Homeland Security Committee, for her excellent and thoughtful statement. I thank Senator ROCKEFELLER, the chair of the Commerce Committee, for his compelling statement on behalf of proceeding and, of course, on behalf of the underlying bill. I think these two statements set the table for the debate that will follow in the next several days.

Within the next day or two, certainly no later than Friday, we will vote on the motion to proceed to the Cybersecurity Act of 2012. I appeal to our colleagues to come together across party lines and vote to proceed, as a way of saying that we recognize exactly what Senator ROCKEFELLER and Senator COLLINS have said: We have a problem here. We are vulnerable to cyber attack. It is not just speculative. We are being attacked. We are being robbed every day through cyberspace. And we are not adequately defended. It is as simple as that.

Part of the problem, as my colleagues have said, in the challenge is that 80 to 85 percent of our critical infrastructure in this country is privately owned. That is the American way. That is the way it ought to be. But that privately owned infrastructure is vulnerable now to attack by our enemies, and we have to work together—public and private owners, Republicans and Democrats, liberals and conservatives, Americans all—to figure out a way to say to the private owners of critical cyber infrastructure, You have got to do more to protect our security, to protect our prosperity. And that is what this bill is all about.

My colleagues have described the challenge, the inadequacy of the current defenses, the work that has been done on our bill, the compromises that have been made all along the way. I thank the Presiding Officer, the Senator from Rhode Island, Senator WHITEHOUSE, and Senator KYL from Arizona and the others who worked on a bipartisan basis to help us find common ground.

This question of cybersecurity is, again, a test of whether this great deliberative body still has the capability to come together and solve our Nation's most serious problems.

We had a couple of votes today. I suppose some people could say they were show votes. I took them seriously. But they all involved the terrible fiscal shape our country is in, $16 trillion in national debt. Earlier in my life I couldn't believe we could come to this point. And why have we? Because we haven't been willing to make tough decisions. We haven't been willing to work across party lines to do some things that might be politically controversial to fix a problem we have. So the problem gets tougher and tougher to fix. This is another one.

Usually, even in the most partisan and ideologically rigid times, when it comes to our national security we put our party labels aside and our party loyalties aside, and we have acted based on our loyalty to our country—to the oath of office we took to protect and defend not our ideology or our party but to protect and defend the Constitution of the United States, our freedom. That is as much in jeopardy from cyber attack as any other source of threat to our country.

I appreciate the opening statements that have been made. I am actually very optimistic about the vote on the motion to proceed that will occur in the next day or two, and I am increasingly hopeful we are going to pass, before we break for August, a strong cybersecurity bill. It is not going to be the bill Senator COLLINS, Senator ROCKEFELLER, Senator FEINSTEIN, and I started out with. We have compromised along the way.

I have in my office in a very prominent place a picture of two of Connecticut's representatives to the Constitutional Convention, Sherman and Ellsworth. I have it there because these two were the creators, the source of the so-called Connecticut Compromise. Some people erroneously refer to it as the Great Compromise. The correct title is the Connecticut Compromise. This was the conflict between the States that had a lot of population and the smaller States, how were they going to be represented in this new Congress. Sherman and Ellsworth came up with a great compromise: We will

have one body—the Senate—where every State has two representatives, and another body—the House—where you are represented by population.

I always like to say to people, the very institution we are privileged to be Members of was created as a result of a compromise. Generally speaking, in this Congress—which represents 310 million people, extraordinarily diverse in every way—you can't succeed here, we can't get things done if people say, I must get 100 percent of what I want on this bill or I am going to vote against it.

That is the way we have felt and that is why we have compromised, particularly because of the urgency of the cyber threat, which is real, present, and growing.

Senator COLLINS and I have felt very strongly, we want to get something started. It can't just be anything, it has to be real. S. 3414 is real. It will be effective. The standards are no longer mandatory, but there are enough incentives in here. And the very fact that there will be standards, private sector generated but approved by a governmental body, I think will create tremendous inducements—yes, maybe even pressure—on CEOs and private operators of critical cyber infrastructure to adopt those standards and implement them in their business or else, God forbid, in case of attack, they will be subject to enormous, probably a corporation-ending, liability.

I am very encouraged, thanks again to a lot of good work done by a lot of people, that we have started today, the lead sponsors of the other bill, SECURE IT, the lead sponsors of this bill, the Cybersecurity Act of 2012, and the group that has been working so hard, a bipartisan group, to bring us together. We did come together today. We are going to meet again tomorrow morning, and I think we are involved in a collaborative process that will not only lead to the passage of cybersecurity legislation this year that will be effective to protect our national security and prosperity but will in its way prove to the American people that we are still capable here in the Senate of coming together across party lines to fix a problem—in this case, to protect our great country.

With that, and knowing we will be back tomorrow, I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. FRANKEN. Mr. President, I plan to speak on cybersecurity tomorrow. I thank Chairman LIEBERMAN, Chairman ROCKEFELLER, Chairman FEINSTEIN, and Senator COLLINS for their work on this very important issue, and also all the other Senators who have worked so hard on this, including the Presiding Officer.

I ask unanimous consent to speak this evening as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING THE VICTIMS OF AURORA, CO

Mr. FRANKEN. Mr. President, I rise today to talk about loss. I know I speak for all Minnesotans when I say how shocked and saddened we have been by the loss of life in Colorado. Our hearts go out to the families and friends of those who died, and to those who were wounded in that massacre. Anyone who has watched reports can only feel outrage or profound sadness.

So many of those who died were so young. A number died so heroically, shielding a loved one from the madman's bullets. So much grief, so much suffering is unspeakable. The one hopeful lesson we can draw from this tragedy comes from the stories of courage and selflessness we have heard about those who were in the theater, the first responders, and the outpouring from the community of Aurora and the rest of the Nation.

Minnesota unfortunately has also seen its share of senseless violence. It is something no State is immune to. Hopefully, out of this tragedy we can draw lessons that will make these kinds of tragedies far less common.

REMEMBERING TOM DAVIS

Today I come to the floor to talk about a personal loss to me and to so many of his friends and family and fans—a Minnesotan who brought so much laughter and so much joy to his fellow Minnesotans and to millions and millions of Americans. My friend Tom Davis died last Thursday after he was diagnosed 3 years ago with cancer.

I had the privilege to be Tom's comedy partner and best friend for over 20 years. We started working together in high school in Minnesota and did standup together for years, and were among two of the original writers for ''Saturday Night Live.''

I spoke with Tom's mom Jean last Thursday, not long after Tom died. She told me how fondly she remembered the laughter that came from the basement when Tom and I started writing together in high school over 40 years ago. That is what I remember about Tom, his laughter.

I last saw Tom about 2 weeks ago at his home in Hudson, NY. Dan Aykroyd, who collaborated so often with Tom, was there too with his wife Donna and Tom's wife Mimi. We laughed and laughed.

Tom's humor was always sardonic, and as you might expect, it was a little more sardonic that day than usual. But his humor also had a sweetness about it. We laughed. But Tom told us that he was ready to go. He faced death with great humor and courage.

Tom created laughter. The obituary cited Tom's body of work—some of it. He and Dan Aykroyd created the Coneheads. Tom was the key collaborator with Bill Murray on Nick the Lounge Singer, and on and on and on. This started an outpouring of blogging on the Internet—people writing about Tom and the laughs he brought them. I was happy to see him get his due. People called him an original. He was. They called him a brilliant comedian. He was.

Since last Thursday, I have been hearing from our friends and colleagues, how Tom's voice was unique, how so often his stuff came seemingly from out of nowhere, how Tom had come up with the biggest laugh of the season in the rewrite of this sketch or that one or how Tom had been the first to nail Ed McMahon's attitude when he and I did Khomeini the Magnificent, and how Tom was such a loyal and generous friend.

People would always ask me and Tom what our favorite moment was from ''Saturday Night Live.'' We worked on so many sketches that it was impossible to single anything out. Both of us would always say our favorite memory was rolling on the floor—the 17th floor at 30 Rock—rolling on the floor, laughing at 2:00 in the morning or 3:00 in the morning at something that someone wrote or at a character someone had just invented. This was that moment of creation. There was the laugh at whatever it was that one of us had come up with, combined with the joy that you knew you had something.

This is your job. Woody Allen once said that writing comedy is either easy or impossible. When it is impossible, it can be agony. When it is easy, when you are laughing and rolling on the floor—literally, when Danny, Billy, Belushi, Gilda, Dana Carvey, Jim Downey, Conan O'Brien, or Steve Martin or any of the many hilarious people whom we had the privilege to work with would come up with something that made us explode with laughter and roll there on the 17th floor, that was just pure joy.

Tom was an improvisational genius. The first public stage we performed at was Dudley Riggs' Brave New Workshop in Minneapolis. Dudley's was essentially the Minneapolis version of Second City, based on the same improvisational techniques. When Tom and I were in high school, we did standup there. But while I went off to college, Tom joined the company at Dudley's, and when I came back, I saw that he had mastered improv and mastered it hilariously.

Now, as a writing team, Tom and I brought different strengths to our craft. Sometimes we would get stuck, and Tom would find an object. The third year of SNL, Tom and I were watching TV, and we saw Julia Child cut herself while doing a cooking segment on, I believe, the ''Today Show.'' So we wrote a sketch that Danny performed brilliantly that is now known as ''Julia Child Bleeding to Death.'' The sketch worked so well that when they installed the Julia Child exhibit at the National Museum of American History, in addition to her TV kitchen set—I believe this was at her insistence because she loved it so much—they included a monitor with the sketch of her bleeding to death on ''Saturday Night Live.''

When Tom and I were writing the sketch, we could not find an ending, and Tom found an object—the phone. The phone hanging on the wall of Julia Child's cooking set. I don't actually

think there was one; Tom just found it. That is something improv artists do when they are on the stage, they find objects to work with. So Danny, as Julia Child in the sketch, is spurting blood, and Julia is trying everything to explain how to make a tourniquet out of a chicken bone and a dish towel or how to use chicken liver as a natural coagulant, and nothing is working. She is losing blood. So, in desperation, she sees the phone on the wall, and turning to it, she says, ''Always have the emergency number written down on the phone. Oh, it isn't. Well, I know it. It's 911.'' She dials 9–1–1 and realizes it is a prop phone and throws it down sort of in disgust and starts to get woozy and rambles on about eating chopped chicken liver on Ritz crackers as a child. Finally she collapses, and as she is about to die, she says, ''Save the liver.''

It was a tour de force by Danny. When I was with Danny and Tom a couple of weeks ago, we started talking about this somehow, and Danny says he remembers me there under the counter pumping the blood. Only I wasn't the one pumping the blood; it was Tom. I remember that was something of a union issue because that is a special effect, pumping blood, pumping the blood to get exactly the right pressure so that Danny could release the spurts at precisely the right time.

Now, every once in a while, the special effects guy or the sound effects guy would let a writer do the effects because it was all about the comedic timing. Also, they liked Tom. Everybody liked Tom. The special effects guy knew that Tom knew exactly what to do, and it was all about teamwork with Danny, who was also controlling the spurting when Tom was controlling the pressure. Man, it was hilarious.

Now, this is live TV. We did hundreds and hundreds of sketches together, a lot of stuff that was just so stupid that it was funny. We just had so much fun. Tom and I toured together all over the country. I told Senator MIKE JOHANNS, my colleague and friend from Nebraska, that Tom and I played Chadron State twice. And last week we had a witness in Judiciary whom Senator SESSIONS introduced from Anniston, AL, where Tom and I played. We did a gig to six students in Huron, SD, because they booked us by mistake during spring break and there were just six students there. There were five members of the basketball team who couldn't afford to go back east for the break. The sixth guy had been grounded because he had gotten caught smoking pot freshman year and they wouldn't let him leave campus except during summer vacation. I think this was his junior year. I think Tom and I played 45 States.

When we flew, we always booked ourselves in aisle seats across from each other, C and D seats, so we could talk to each other. Tom would always get on first and find our row, and if there was a pretty girl in the middle seat of one side, he would sit next to her, and I would sit next to the fat, sweaty guy in the mesh shirt, which, by the way, I think should not be allowed on planes. I plan to introduce legislation on that.

This went on for years. Tom would board first, get to a row, and take the aisle seat next to an attractive woman or quiet-looking, slender man, and I would sit next to the large loud guy who looked like he wanted to talk through the entire flight. I thought, what a coincidence, Tom's aisle seat is always next to the more desirable seatmate. Finally I checked my ticket stub, and I saw that Tom had taken my seat. That is when I realized he had been doing this for years. He said: Yeah, I was just waiting for you to figure it out. Now, I really had to blame myself. Tom had played me, and it was my fault for being a kind of trusting idiot.

Tom saved my butt on occasion. We used to go camping and fishing up in the Boundary Waters of the wilderness area between northern Minnesota and Canada. Tom was expert with a canoe, and I wasn't. I really wasn't. Once, we went up there in October. It was kind of cold, but we were catching a lot of walleye and having a great time. There were three of us—me, Tom, and our friend Jeff Frederick. We had put in for just one canoe.

On the third evening I decided to fish from this point near our campsite on this island. I cast out and got my line caught in something, so I decided to go out alone in the canoe and untangle the line. So I am paddling out, and I get caught in this current and start getting carried away from the island we were camped on, and I start calling for help. Now, we are in the Quetico wilderness in Canada in October. We had not seen another human being in the 3 days we had been there. So Tom and Jeff come running and yelling and cursing at me because if I didn't make it back with the canoe, they were pretty much stuck on this island for the winter, and I am probably dead because I have no gear, nothing, just the paddle, which isn't doing me any good at this point. This is where Tom's improvisational skills came in really handy because he talked me back. He was screaming and cursing, but he talked me out of the current that was carrying me away to my certain death, and I was able to circle back and get to the point—exhausted but so relieved. Maybe that is why I cut him some slack when he played me on the aisle seats years later.

Now, speaking of cold, Tom and I were huge Vikings fans. We would go to the old Metropolitan Stadium during the Bud Grant years when Grant would not allow heaters on the side lines even when it was below zero. I once asked Bud Grant why he did that, and he said: There are certain things people can do when they are cold.

Tom and I were there on a very cold winter afternoon at the Vikings-Cowboys playoff game, the one where Roger Staubach threw the Hail Mary that Drew Pearson pushed off on and caught for a touchdown—and he did push off. Senator HUTCHISON and Senator CORNYN need to go back to the videotape. Drew Pearson pushed off. It was offensive pass interference, and the Vikings should have won that game and gone to the Super Bowl. That is how I saw it, that is how Tom saw it, and that is how the fan who threw the whiskey bottle from the bleachers and knocked the ref out saw it. Tom and I both saw the bottle glinting in the cold winter Sun as it arced from the bleachers. We were stunned when it hit the ref right in the forehead. That was not Minnesota nice.

Tom and I suffered through four Super Bowl losses and through last season. As sick as he was, Tom watched our Vikings and complained bitterly to me on the phone later on Sunday.

Tom and I went to a lot of Grateful Dead shows together—more than even Senator LEAHY. Tom and I went to a lot of New Year's Eve Dead shows. This year I went up to New York to celebrate New Year's with Tom and Mimi at their home. We knew this would probably be his last, and at midnight we turned on the Dead and we danced.

Now, unlike me, Tom became an accomplished guitarist, and he could sit in with rock or blues bands. Tom was a terrible student in high school, but the fact is he was a renaissance man. He loved to read history, philosophy, and fiction. He devoted a lot of his last years to his art, sculpting solely from found objects from the creek that ran by his house in upstate New York.

Tom was an original. Some time ago, Tom and I talked about writing something for this occasion, but about a year or so ago he wrote a piece for a literary magazine that, to me, said what needed to be said. It was Tom and his take on what he was facing. It is called ''The Dark Side of Death.'' I decided to read from it, with a few edits for the Senate floor, and I ask that the piece in its entirety, with some other edits, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. FRANKEN. ''The Dark Side of Death'' by Tom Davis.

The good news: my chemotherapy is working and I'm still buying green bananas. I've lost about 50 pounds. (I need to lose 49.) . . . False hope is my enemy, also self pity, which went out the window when I saw children with cancer. I try to embrace the inevitable with whatever grace I can muster, and find the joy in each day. I've always been good at that, but now I'm getting really good at that.

I wake up in the morning, delighted to be waking up, read, write, feed the birds, watch sports on TV, accepting the fact that in the foreseeable future I will be a dead person. I want to remind you that dead people are people too. There are good dead people and bad dead people. Some of my best friends are dead people. Dead people have fought in every war. We are all going to try it sometime.

Fortunately for me, I have always enjoyed mystery and solitude.

Many people in my situation say, ''It's been my worst and best year.'' If that sounds like a cliche, you don't have cancer. On the plus side, I am grateful to have gained real, not just intellectual empathy. I was prepared to go through life without having suffered, and I was doing a good job of it. Now I know what it's like to starve. And to accept ''that over which I have no control,'' I had to turn inward. People from all over my life are reconnecting with me, and I've tried to take responsibility for my deeds, good and bad.

I think I've finally grown up.

It is odd to have so much time to orchestrate the process of my own death. I'm improvising. I've never done this before, so far as I know. Ironically, I will probably outlive one or two people to whom I've already said goodbye. My life has been rife with irony; why stop now?

As an old-school Malthusian liberal, I've always believed that the source of all mankind's problems is overpopulation. I'm finally going to do something about it.

Tom faced death with humor and courage.

Rest in peace.

EXHIBIT 1

THE DARK SIDE OF DEATH

(By Tom Davis).

The good news: my chemotherapy is working and I'm still buying green bananas.

The bad news: two years ago, before we knew it as MDD (Michael Douglas Disease), I was diagnosed with tonsorial squamous cell carcinoma, a/k/a head and neck cancer. After surgery, I elected to go with radiation therapy sans complementary chemo, which was probably a big mistake. The malignancy unexpectedly spread to the bones of my pelvis and lower spine, where it has been munching away without thought of its host's well-being. It's now described as ''exotic and aggressive,'' but it's getting its cancerous ass kicked by taxotere, a drug that imitates the chemistry of the European Yew tree. Made in China, of course. I'll be using it, or a related drug ''for the rest of my life,'' which could be as long as two more high-quality-of-life years. I'd be thrilled with that.

There are side effects, the two weirdest being a ''recall effect,'' in which radiation sores reappear, and neuropathy in my fingernails, which are in the unpleasant process of falling off. Ow. I've lost hair from all over my body. With only a little bit of white fluff on my head, I visited my mother, who suffers from Alzheimer's disease in Minneapolis.

''Now I want you to take all your medicine and your hair will grow back,'' she said cheerfully. ''I think you look a little like that bird Woodstock in Peanuts.'' I'll take that; better than Uncle Fester.

My old comedy partner (Senator) Al Franken, volunteered to draw my hair back on with a magic marker, which would be funny for about two days. We're planning to write something for him to read once I deanimate, the final Franken and Davis piece. We'll see. Typically, we would wait until the last minute.

I've lost about 50 pounds. (I needed to lose 49.) It's great to wear jeans from the 70s, although I remember making a few people laugh when I said I would save them in case I got cancer. Once, in the early eighties, Franken and Davis appeared on the David Letterman Show as ''The Comedy Team that Weighs the Same,'' a piece so stupid it was really funny. We dressed in bathrobes and Speedos for the final weigh-in on a huge scale. David asked if any other comedy team had weighed the same, and I said ''Laurel and Hardy, but only near the end of Ollie's life,'' which got a good groan laugh. Maybe I tempted fate a little too often.

My grocer at the Claverack Market, Ted the Elder, recently asked if I had heard that there are two stages in life: ''youth,'' and ''you look great.'' Wish I'd thought of that.

Several close friends have asked if I was aware of alternative medicines, therapies, protocols, doctors, clinics, and books. One offered personal testimony. His colon cancer was supposed to have killed him several years ago. He attributes his survival to an exclusive diet of blueberry smoothies.

My fear is not death; my fear is spending my last years slurping blueberry, whey and soy powder shakes in a rock star hospital in Houston, surrounded by strangers. No.

False hope is my enemy, also self pity, which went out the window when I saw children with cancer. I try to embrace the inevitable with whatever grace I can muster, and find the joy in each day. I've always been good at that, but now I'm getting really good at it.

I wake up in the morning, delighted to be waking up, read, write, feed the birds, watch sports on TV, accepting the fact that in the foreseeable future I will be a dead person. I want to remind you that dead people are people too. There are good dead people and bad dead people. Some of my best friends are dead people. Dead people have fought in every war. We're all going to try it sometime.

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Many people in my situation say, ''It's been my worst and best year.'' If that sounds like a cliché, you don't have cancer. On the plus side, I am grateful to have gained real, not just intellectual empathy. I was prepared to go through life without having suffered, and I was doing a good job of it. Now I know what it's like to starve. And to accept ''that over which I have no control,'' I had to turn inward. People from all over my life are reconnecting with me, and I've tried to take responsibility for my deeds, good and bad. As my friend Timothy Leary said in his book, Death by Design, ''Even if you've been a complete slob your whole life, if you can end the last act with panache, that's what they'll remember.''

I think I've finally grown up.

It is odd to have so much time to orchestrate the process of my own death. I'm improvising. I've never done this before, so far as I know. Ironically, I probably will outlive one or two people to whom I've already said goodbye. My life has been rife with irony; why stop now?

As an old-school Malthusian liberal, I've always believed that the source of all mankind's problems is overpopulation. I'm finally going to do something about it.

The PRESIDING OFFICER. The Senator from Iowa.

THE FARM BILL

Mr. GRASSLEY. Mr. President, the Senate passed a farm bill a few weeks ago—a pretty good farm bill. The House Agriculture Committee has reported out of its committee a farm bill, and now the discussion of whether we have a farm bill is a decision to be made by the leadership of the House, of whether a farm bill should come up. So I wish to speak about the necessity of a farm and nutrition bill being passed.

It is called a farm and nutrition bill because about 80 percent of a farm bill's expenditures are related to the food stamp program. If we can get this bill completed and to the President's desk, it will be the eighth farm bill I have had a chance to participate in.

Every 5 years or so, Congress debates, changes, argues over, and ultimately passes a farm and nutrition bill—not always of that title but pretty much of that content. This time should be no different. We need to get the job done. I understand there are folks who want to see more cuts here or there, and there are folks who want to spend more here or there. Those are very important discussions to have. We should have a healthy debate on how to tweak, reform, and reshape the policies in the bill, whether it is in regard to programs affecting farmers or the portion of the bill that receives the overwhelming share of the dollars, as I said, the nutrition title.

We had those debates in the Senate Agriculture Committee. We had those debates on the Senate floor. The House Agriculture Committee has had those debates. Now I hope their product can be brought up on the Senate floor. In fact, I am more than happy to debate these various issues with some of my friends on the House Agriculture Committee—why setting high target prices, as they did, is the wrong direction for Congress to take and how the House should adopt the payment limit reforms the Senate has embraced, provisions of the farm bill in the Senate that I got included. I am sure many on the House Agriculture Committee would be more than happy to debate with me the merits of having a more balanced approach to where we find savings in the bill by taking an equal portion from the nutrition title and the farm-related titles. We should find more savings for sure than what is contained in the Senate-passed farm bill, including saving more out of the nutrition title, as the House Agriculture Committee has been able to do.

But the fact is we have to keep moving the ball forward, regardless of how we feel about all these separate parts of a farm bill. We need to get to finality. We have a drought gripping this Nation and that is going to be tough on Americans. It is going to affect every American, not just the 2 percent of the people who are farmers, because it is going to cause food prices to go up. But the drought has drawn into focus just how important our farmers are to our food supply.

Americans enjoy a safe and abundant food supply. That is because of the hard work and dedication of so many farming families throughout our country. Sometimes weather conditions or other events outside farmers' control can make it difficult to keep farming. Farmers aren't looking for a handout, but when faced with conditions such as a near-historic drought, many farmers may need assistance to get through. Men and women go into farming for all sorts of reasons, but at the heart of farming is the desire to be successful at producing an abundant crop to feed the Nation and the world.

Farmers have many tools to manage their risks so they can keep producing food. They have adopted advanced

technology such as drought-resistant crops. Farmers buy crop insurance. In my State of Iowa, about 92 percent of the farmers have crop insurance. Livestock farmers help animals manage heat by building climate-controlled buildings. But when faced with weather conditions such as we are currently dealing with, even the best laid plans may not keep the farming operation afloat. That is where the Federal Government comes in. We help provide a safety net.

Let me say just how that drought affects crops. I just read in the newspaper something put out by some government agency that said about 55 percent of the landmass of the United States is in a drought condition right now. In my State of Iowa and many other Midwestern States, on an average of about 22 years, we face drought situations that are catastrophic for crops. Actually, the last one was in 1988, so now we are having one in my State of Iowa and that is 24 years. But, on average, it happens about that long. So we see the need for something that is beyond farmers' control. We can't do anything if it doesn't rain when it is supposed to rain, and right now is one of those most important times when crops need rain. So why do we provide the safety net? Because the American people understand how important the production of food is to our food supply and farmers doing that production.

It is a matter of national security. It has been said we are only nine meals away from a revolution. If people were without food, this argument goes, they would do whatever it takes to get food for themselves and their families. It has only been 3 years, I believe, in some places in the world where they had riots that were national problems—not just local problems but national problems—because of a shortage of rice. That is a staple in many countries; I suppose particularly of Asia. So we have to have a stable food supply if we are not going to have social upheaval.

The need for food can also be illustrated by looking at military history. In other words, a food supply is very important for our national security. It may be a joke, but Napoleon supposedly said ''an army marches on its stomachs.'' But we also know from modern history, if we consider World War II on this very day, 60 or 70 years after World War II, why the Japanese and the Germans protect their farmers so much with safety nets of various sorts. Because they know what it was like during wartime not to have adequate food as a part of national security. A well-fed military is one ready to fight and to defend.

There is nothing more basic than making sure the Nation's food supply is secure, whether it is to prevent social upheaval or for our national security or maybe for a lot of other reasons. In order to have stability in our food system, we need to have the safety net available to assist farmers through the tough times so they can keep producing food.

I have not always agreed with the policies set in each and every farm bill Congress has passed—of the eight I have been involved in. In fact, there have been times in which I voted against individual farm bills because I didn't agree with the policy being set. However, I support, to a large extent, what we accomplished in the Senate-passed farm bill last month. Obviously, I didn't agree with everything, particularly with the lack of savings we captured from the nutrition title. But, for the most part, we passed a bill that embraced real reform in the farm program that still provides an effective safety net.

Whether it is the Senate bill that cut back $23 billion from the present farm program or whether it is the House bill that seems to cut back $35 billion, I will bet this is the only piece of legislation that can possibly get to the President's desk this year that is going to save money rather than if it had just been simply extended. I would think people who want to set a record of fiscal conservatism for the upcoming election would be very anxious to take up a bill the Congressional Budget Office says saves either $23 billion or $35 billion.

So I say mostly to the other body, because right now that is where the action is and where we hope it will take place, we should not delay any longer. The farm bill is too important to all Americans to leave it in limbo. We need to get a farm bill to the President. The farm bill is approximately 80 percent nutrition programs. Most of the people who benefit are not farmers. Then, the other 20 percent is a safety net for farmers but also for all the programs the Department of Agriculture administers.

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. WHITEHOUSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BEGICH). Without objection, it is so ordered.

Mr. WHITEHOUSE. Mr. President, before I go into the closing business, let me say I had the pleasure of presiding in this body during the remarks that were just made by the distinguished chairman of the Homeland Security Committee, Senator LIEBERMAN of Connecticut, the distinguished ranking member of that committee, Senator COLLINS of Maine, and the distinguished chairman of the Commerce Committee and, until recently, chairman of the Intelligence Committee, Senator ROCKEFELLER of West Virginia.

I simply want, briefly, to add my voice to theirs and echo the three points they emphasized: One, we absolutely must take action on cybersecurity; two, it is a genuine and undeniable matter of our American national security; and, three, we cannot claim to have done the job, we cannot claim to even have attempted the job seriously if we do not address the question of the critical infrastructure on which American life and our economy depend that is in private hands and, therefore, cannot be protected under the existing regime in place protecting our government and military networks. We have to solve that problem. Anything that does not solve that problem is a clear failure of our duty, as national security experts from Republican and Democratic administrations alike have very clearly explained.

MORNING BUSINESS

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING SALLY RIDE

Mrs. BOXER. Mr. President, I know that you and all of our colleagues will want to join me today in paying tribute to Dr. Sally Ride, the first American woman to fly in space, who died peacefully on Monday at her home in San Diego, CA. Sally Ride was 61 years old.

Dr. Ride was a physicist, an astronaut, a science writer, and the president and CEO of Sally Ride Science, a nonprofit company dedicated to realizing her lifelong passion for motivating young people to stick with their interests in science and to consider pursuing careers in science, technology, engineering, and math.

Sally Ride was born and grew up in Encino, CA. As a young girl, she was encouraged by her parents to pursue her two passionate interests: science and sports. At Stanford University, she studied physics, astrophysics, and English literature while becoming the school's number one women's tennis player. When asked what had made her choose science over tennis, she joked, ''A bad forehand.''

In 1977, as she was about to complete her Ph.D. in physics, Sally read that NASA was looking for astronauts and, for the first time, was allowing women to apply. From a group of 8,000 applicants, NASA selected 29 men and 6 women—including Sally Ride—as astronaut candidates in January 1978. The following year, she qualified for assignment on a space shuttle flight crew.

On June 18, 1983, Sally Ride made history as the first American woman in space, part of a 147-hour mission aboard the shuttle *Challenger*. She later said, ''The thing that I'll remember most about the flight is that it was fun. In fact, I'm sure it was the most fun I'll ever have in my life.''

Sally Ride's historic space flight riveted the Nation and made her a household name—a symbol of women's ability to break barriers and achieve any goal, no matter how lofty. She immediately understood and appreciated her place in history, crediting the women's movement of the 1970s with paving her way into the space program.

Dr. Ride made another space flight in 1984 and was preparing for a third when the *Challenger* exploded shortly after takeoff on January 28, 1986. She served on the Presidential commission investigating the *Challenger* tragedy and worked at NASA headquarters as special assistant to the administrator before retiring from NASA in 1987.

After serving as a science fellow at Stanford's Center for International Security and Arms Control, Dr. Ride joined the faculty at the University of California, San Diego as a physics professor and director of the California Space Institute.

In 2001 she founded Sally Ride Science to create educational programs that entertain, engage, and inspire young people. She served on the President's Committee of Advisors on Science and Technology, the National Research Council's Space Studies Board, and the boards of the Congressional Office of Technology Assessment, the Carnegie Institution of Washington, and the NCAA Foundation.

Sally Ride pushed the limits of knowledge, courage, and accomplishment for all Americans, especially for girls and young women. As a pioneer in the final frontier of space, she showed millions of American girls that there was truly no limit on what they can do or where they can go.

On behalf of the people of California, who have been so moved and inspired by Sally Ride's life and legacy, I send my deepest appreciation and condolences to her partner of 27 years, Tam O'Shaughnessy; her mother, Joyce; her sister, Bear; her niece, Caitlin; and her nephew, Whitney.

CHRISTENING OF THE USS SOMERSET

Mr. TOOMEY. Mr. President, this Saturday, July 28, 2012, the U.S. Navy will perform a christening ceremony in New Orleans for the future USS *Somerset*. The USS *Somerset* is a special ship, bearing the name of the Southwest Pennsylvania county where United Airlines Flight 93 crashed on September 11, 2001.

On that infamous day, a group of defiant and determined Americans challenged a group of al-Qaida hijackers hell bent on crashing the plane into the U.S. Capitol, the White House, or another sensitive DC-area target. The terrorists' goal was not achieved, thanks to the bravery of the Americans onboard. We will never forget their actions in the face of horror.

The USS *Somerset* will serve as an ongoing emblem of their heroism as it races to the aid of our friends and defends American liberty against our foes. This ship also embodies the American spirit local Pennsylvanians demonstrated shortly after the crash, when they raised the Stars and Stripes atop a dragline near the crash site as an unforgettable symbol of our country's resolve during a time of national sorrow.

Wherever the USS *Somerset* goes, so will a piece of southwest Pennsylvania. The bow of the ship includes steel from the dragline adjacent to the crash site in Stonycreek Township, where it was a silent witness to an indelible act of American courage and strength in defiance of those who would do us harm.

I wish the U.S. Navy and the future crew of the USS *Somerset* safe travels and successful missions defending America and freedom worldwide.

ADDITIONAL STATEMENTS

TRIBUTE TO DR. NEOSHA A. MACKEY

● Mr. BLUNT. Mr. President, today I wish to honor Neosha A. Mackey, who retired earlier this summer as dean of university libraries at Missouri State University after 27 years of service. During her years of dedicated service, Mackey oversaw the expansion of the Meyer Library to meet the needs of the academic community with improved access to local archives, manuscripts and photographs. The MSU library system also improved its access to other research materials with a Special Collections and Archives section available to internet users that was previously only accessible to view at the MSU Library.

Mackey started at Missouri State as the head of reference in 1985. Later she served as associate dean of library services, 1987–2009; acting dean, 1993–1995, and was appointed dean of library services in 2009.

During her tenure, the library enhanced services with a $28 million addition and renovation project. Mackey has also been a presence in the classroom teaching both undergraduate and graduate level courses while monitoring budgets and coordinating personnel matters. As Missouri State reached out to establish programs and classes for students in China, Mackey and her husband John took a leadership role in the development of those programs.

Mackey also directed an expansion of the Meyer Library's local archives and collections with a loan agreement to house, preserve, and provide access to manuscripts and photographs owned by The History Museum for Springfield-Greene County. The History Museum holds a comprehensive collection of photographs and personal documents capturing decades of history and changing cultures in Springfield and Greene Counties. The new campus location promises improved access for researchers and the general public as well as a safer climate- and temperature-controlled location for these priceless archives.

Before arriving at Missouri State, Mackey was at the Ohio State University from 1978–1985 as personnel librarian and head of the home economics library. She served as assistant to the dean, 1975–1977, and as head of the Parish Business Library, 1970–1975, at the University of New Mexico. Mackey has a bachelor of arts in economics and a master's in library science from the University of Oklahoma and an MBA from the University of New Mexico.

Mackey's achievements and her personal commitment to excellence have guided the Missouri State Library program to a place of national prominence. I thank her for her efforts and wish her well in her well-deserved retirement.●

2012 OLYMPIC GAMES

● Mr. SANDERS. Mr. President, I rise today to commend three Vermonters who will be representing the United States in the Olympic Games in London. One hundred years ago Albert Gutterson of Springfield, VT, won Olympic Gold in the broad jump. This year, Lea Davison, Trevor Moore and Andrew Wheating are the latest in a long line of Vermonters to compete in the world's most prestigious athletic competition.

Lea Davison won the first mountain bike race she ever entered when she was 17 years old. A native of Jericho, VT, Lea competed in cross country and was a Division I alpine ski racer at Middlebury College before becoming the youngest woman to join the professional mountain biking tour. Lea has become one of the dominant forces in professional women's mountain biking but still takes time to give back to the community, running a summer camp for girls from Vermont who are interested in cycling.

Trevor Moore began sailing with his father and brother at a very young age. When he moved to North Pomfret, VT, as a teenager his passion for competition led him to play for Woodstock Union High's tennis and soccer teams. At Hobart College, Trevor was an accomplished sailor and a three-time All American, in addition to being named the 2007 College Sailor of the Year. He will be competing with Erik Storck in the 49er category in London.

London will mark Andrew Wheating's second Olympic Games. He competed for the track team in the 800 meter race at the Beijing Olympics in 2008. Andrew is originally from Norwich, VT. Recruited by the University of Oregon, he was the NCAA champion in the 800 meters in 2009 and 2010 and in the 1600 meters in 2010. Andrew is renowned for his ability to come from behind in races and will be competing in the 1600 meters in London.

Vermont is proud of Lea, Trevor, and Andrew, and I and the citizens of my State wish them the best of luck at the 2012 Olympic Games.●

TRIBUTE TO DEREK MILES

● Mr. THUNE. Mr. President, today I wish to recognize Derek Miles of Tea, SD, who will compete in the 2012 Summer Olympic Games taking place in London, England. This will be his third consecutive trip to the Summer Olympic Games. Derek has a long history of success as a pole vaulter, including three U.S. National Championships, 10 years ranked in the top 10 in the U.S.—4 of which he has been ranked No. 1, and 6 years ranked in the top five in the world.

Derek is currently working as an assistant pole vault and jumps coach at the University of South Dakota where he graduated from in 1996 as a four-time NCAA Division II All-American with a bachelor's degree in history. Derek also earned his master's in athletic administration at the University of South Dakota in 1998 and was inducted into the Henry Heider Coyote Sports Hall of Fame in 2006. In addition to his personal accomplishments, Derek has coached multiple conference champions and organized the Miles Pole Vault Summit bringing the world's best pole vaulters to Vermillion, SD, in 2007.

Derek should be very proud of all his accomplishments. On behalf of the State of South Dakota, I am pleased to say congratulations on another Olympic qualification. We are very proud and wish you the best of luck.●

RECOGNIZING KENNESAW STATE UNIVERSITY

● Mr. ISAKSON. Mr. President, today I wish to acknowledge Kennesaw State University's annual Homelessness Awareness Week during the week of October 8–13, 2012, in my home State of Georgia.

I appreciate that Kennesaw State University coordinates activities throughout the month of October to raise awareness about homeless individuals in our society with events such as Homelessness Awareness Week. The designation of Homelessness Awareness Week will help to increase our knowledge and understanding of those living without shelter and food. The activities during this week will also educate Georgians on how to address and combat this unfortunate problem in our State. Ending homelessness is critical to upholding the vitality of families and sense of community in the State of Georgia. Groups, organizations, and institutions such as Kennesaw State University work to address this growing problem. I support and applaud their efforts and urge all citizens to become more knowledgeable about this problem and seek out ways to help alleviate this problem and its effects in our communities.●

TRIBUTE TO ED WALKER

● Mr. WARNER. The town of Big Lick was first established in 1852 and eventually became the city of Roanoke in 1884. Since its early days as a railroad hub, Roanoke has been an economic and cultural focal point for the western part of Virginia. Today, the New York Times recognized Ed Walker for his efforts in revitalizing Roanoke. For more than 10 years, Ed has worked to improve Roanoke by investing in historic structures and renovating them for residence, dining, and entertainment. Ed's work led to the creation of cultural programs, founded an innovative music center for young adults, and revitalized a once derelict downtown street.

Ed's investment in the community paid off. The hundredfold increase in downtown residents supported the opening of dozens of new businesses and increased demand for cultural attractions. By bringing residents and businesses closer together, Ed's projects have helped spur the Roanoke economy and brought new energy to the city.

Thanks to Ed's work, Roanoke serves as a model to similar communities across the Commonwealth. Roanoke was recognized recently as one of ''America's Most Livable Communities'' by the nonprofit Partners for Livable Communities. Ed created the CityWorks (X)po to bring together entrepreneurs, advocates, and developers from across the country to share ideas about renewing and improving cities such as Roanoke.

I would like to congratulate Ed Walker on his achievements and thank him for making the city of Roanoke a better place to work and live. I would ask unanimous consent that today's New York Times article be printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 25, 2012]

VIRGINIA DEVELOPER IS ON A MISSION TO REVIVE HIS TOWN

(By Melena Ryzik)

ROANOKE, VA.—The Kirk Avenue Music Hall, a four-year-old club named for its downtown block here, offers an unexpected perk to its performers: an apartment. For a night or so, before or after gracing the stage, artists stay at no charge in a loft a block away, signing the guest book with notes of gratitude.

''We don't have money, we don't have fame, so hospitality is really critical,'' said Ed Walker, the club's landlord and a founder.

It is hard to miss Mr. Walker's brand of hospitality on Kirk Avenue. He owns nine of its storefronts, turning what was a forlorn block not long ago into a social destination. The music hall doubles as a microcinema and event space. There is Lucky, a restaurant run by a touring rock band that decided to stay put, and Freckles, a cafe and vintage shop with monthly craft nights, whose owner called Mr. Walker the town's Jimmy Stewart, a favorite son and guiding light.

It is hard to miss Mr. Walker in many corners of Roanoke, a valley town of 97,000 about four hours from Washington. Ringed by the Blue Ridge Mountains and for generations a successful rail hub, it now has a median income of about $35,000 and is trying to reinvent itself for a different economy: a medical school opened in 2010, and a bike shop is planning to move into the massive old transportation museum.

And Mr. Walker, 44, a former outsider-art dealer and a third-generation lawyer from a prominent local family, has emerged as a commercial developer with an unusual civic conscience. In less than a decade, he has bought more than a dozen disused historic buildings, renovated them and enticed people to live in them.

Thanks to Mr. Walker and other developers who followed suit, Roanoke's downtown has a livelier pulse, with nearly 1,200 residents this year, where once there were fewer than 10. Mr. Walker has made his spaces welcoming, handpicking chefs for restaurants and furnishing a pocket park with his children's swing sets. Coming attractions include a rock climbing gym.

With his wife, Katherine, and two young sons, he lives downtown himself and evangelizes about it to any visitor. Last fall he started what will be an annual conference in Roanoke, CityWorks (X)po, billed as exploring ''big ideas for small cities.''

''People think this is too good to be true,'' said Chris Morrill, the city manager. ''You have this developer who knows the finances, knows the law, knows how to do these historic renovations and is really committed to the community. It's real.''

Mr. Morrill added: ''When folks from other communities come in here and I show them some of the stuff that's Ed's doing, they're like, How can we clone this guy and bring him back to our community?' ''

Mr. Walker's conference is intended to share his blueprint for urban redevelopment, a field known as placemaking; he will study it at Harvard's Graduate School of Design this year, with a prestigious Loeb fellowship. But many towns already have their own version of Ed Walker, said Bruce Katz, a vice president at the Brookings Institution and founding director of the Brookings Metropolitan Policy Program, which focuses on cities. ''This is happening across the country,'' Mr. Katz said.

''What you're seeing is a group of vanguard developers and vanguard businesspeople who basically spot a trend and then double down or triple down with their own resources'' to buy property cheap, collaborating with like-minded leaders ''on the placemaking agenda,'' he said.

Examples abound: Mr. Katz pointed to changes in Buffalo and Detroit and plans by Tony Hsieh, the Zappos tycoon, to remake Las Vegas. ''It has been one or two people in particular cities taking the risk,'' he said.

''There's a profit motive for sure, but these are people committed to place,'' Mr. Katz added. ''This is no longer an idea or an aspiration. It's an out-and-out trend.''

In Roanoke, it started in 2002, when Mr. Walker began redeveloping Kirk Avenue. His first major residential renovation opened downtown in 2006, with million-dollar condominiums.

Old-guard Roanokers were quickly convinced that downtown was livable when Mr. Walker sold one of the first to Warner Dalhouse, a retired bank chairman, and his wife, Barbara, who use it as a Southern pied-à-terre. At 4,800 square feet, it is larger than their lake house nearby. ''We wanted it to look like a New York loft, and it does,'' Mr. Dalhouse said.

Mr. Walker's company converted an old cotton mill and a department store into apartments, some at the low end of market rates and some at the top. The next units will be in a former ice house on the Roanoke River, where the city's first waterfront restaurant will open.

Last year, after a $20 million renovation, the company reopened the Patrick Henry,

once one of Roanoke's grandest hotels; its disrepair had taken a toll on civic pride. Now it once again has an elegant lobby, complete with a bar. Some of its 132 apartments are leased by a nearby nursing school for its students.

The building also houses the Music Place, an FM radio station that Mr. Walker bought last year just before it was forced to change formats. With its mix of indie, country and folk—and thrice-weekly interviews with community leaders—it fit with his notion to give Roanoke the feel of, as he grinningly puts it, a funky college town.

The radio station is just breaking even. The conference lost money, but Mr. Walker will hold it again—it ''succeeded on a human level,'' he said. Otherwise, he is adamant that his projects must serve the bottom line.

He is keen to talk financing—Virginia has generous tax credits for historic renovation, so he helped get a landmark designation for the Wasena neighborhood, where his river project is—in hopes that it will teach others to follow in his footsteps as social entrepreneurs. ''Roanoke is a really good small-city laboratory,'' he said.

Mayor David Bowers praised Mr. Walker but said the city still had economic, educational and tourism challenges. ''We're not the destination that we should be,'' he said.

Even downtown, all is not rosy. Studio Roanoke, a nonprofit black box theater, closed this month because of a lack of money. (''It's not even bare bones,'' Melora Kordos, its artistic director, told The Roanoke Times. ''We're just a couple of femurs.'') And there are other signs of struggle, especially in areas that ring the city center, like southeast Roanoke.

Jason Garnett, a former projectionist and theater manager who programs Shadowbox, the movie night at Kirk Avenue Music Hall, makes ends meet with a job as an audio-visual coordinator at a local college.

''I can't afford to live downtown,'' said Mr. Garnett, a 36-year-old father of two. Still, he and his friends are committed to staying, starting even more community-run art spaces. ''We're trying to make Roanoke cool,'' he said.

There are indications that it is working. Since 2009, 25 restaurants have opened across 10 blocks downtown, many serving farm-to-table fare, bolstered by a long-running farmer's market. A glossy monthly devoted to the art scene, Via Noke Magazine, began publishing in June. There is an adult kickball league. It adds up to the kind of do-it-yourself creative change that Mr. Walker, a sometime skateboarder whose ethos is more Joe Strummer than Jane Jacobs, advocates.

For Mr. Morrill, the city manager, the developments have already had an impact on the town's psyche. ''Roanoke has this inferiority complex,'' he said. ''People would say, 'We could've been Charlotte if we'd had a bigger airport, or Greensboro or Asheville.' And Ed helped them realize, Roanoke is a pretty good place.''

He added: ''People aren't talking about what we're not anymore. Now they're talking about what we are. And that's a huge shift.''●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Pate, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The messages received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 2:26 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4157. An act to prohibit the Secretary of Labor from reissuing or issuing a rule substantially similar to a certain proposed rule under the Fair Labor Standards Act of 1938 relating to child labor.

ENROLLED BILL SIGNED

At 7:04 p.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 1335. An act to amend title 49, United States Code, to provide rights for pilots, and for other purposes.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 4157. An act to prohibit the Secretary of Labor from reissuing or issuing a rule substantially similar to a certain proposed rule under the Fair Labor Standards Act of 1938 relating to child labor; to the Committee on Health, Education, Labor, and Pensions.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 3429. A bill to require the Secretary of Veterans Affairs to establish a veterans jobs corps, and for other purposes.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–106. A Concurrent resolution adopted by the Legislature of the State of Utah expressing concerns over portions of the National Defense Authorization Act for Fiscal Year 2012; to the Committee on Armed Services

SENATE CONCURRENT RESOLUTION NO. 11

Whereas, the Congress of the United States passed the National Defense Authorization Act for Fiscal Year 2012 (''2012 NDAA'') on December 15, 2011;

Whereas, the President of the United States of America signed the 2012 NDAA into law on December 31, 2011;

Whereas, Section 1021 of the 2012 NDAA affirms the authority of the Armed Forces of the United States to detain covered persons pending disposition under the law of war and defines covered persons to include persons associated with the attacks on September 11, 2011 or members and supporters of al-Qaeda, the Taliban, or other associated forces that are engaged in hostilities against the United States;

Whereas, Section 1022 of the 2012 NDAA requires that members of al-Qaeda captured in the course of hostilities be detained in military custody pending disposition under the laws of war, except that it is not a requirement to detain a citizen of the United States or lawful resident alien of the United States on the basis of conduct taking place within the United States;

Whereas, there is disagreement about the impacts of Sections 1021 and 1022 of the 2012 NDAA;

Whereas, the United States Constitution and the Utah Constitution provide for due process and a speedy trial;

Whereas, the indefinite military detention of a citizen in the United States without charge or trial violates the right to be free from deprivation of life, liberty, or property without due process of law guaranteed by the United States Constitution, Amendment V and Utah Constitution, Article I, Section 14; and

Whereas, it is indisputable that the threat of terrorism is real and that the full force of appropriate and constitutional law must be used to defeat this threat; however, winning the war against terror cannot come at the great expense of mitigating basic, fundamental, constitutional rights:Now, therefore, be it

Resolved, That the Legislature of the State of Utah, the Governor concurring therein, reaffirms our rights guaranteed by the United States Constitution and the Utah Constitution, and urges the United States Congress to clarify, or repeal if found necessary, Sections 1021 and 1022 of the 2012 NDAA to ensure protection of the rights guaranteed by the United States Constitution and the Utah Constitution; *be it further*

Resolved, That a copy of this resolution should be sent to the Majority Leader of the United States Senate, the Speaker of the United States House of Representatives, and to the members of Utah's congressional delegation.

POM–107. A concurrent resolution adopted by the Legislature of the State of Utah expressing support for interconnection of the seven Salt Lake County and Summit County ski resorts; to the Committee on Commerce, Science, and Transportation.

SENATE CONCURRENT RESOLUTION NO. 10

Whereas, tourism is one of Utah's major ''export industries'' that sells services or products to destination visitors and brings money into the state to support our local economy and provide jobs for current and future Utahns;

Whereas, over 20 million people visited the state of Utah in 2010, spending over $6.5 billion, or 5.5% of Utah's gross domestic product, contributing over $840 million in state and local taxes, and sustaining as much as 10% of the jobs in the state;

Whereas, the ski and snowboard industry is a major contributor to Utah's tourism industry, contributing over $1.2 billion to the state's economy as a result of over 4 million skier days, and growth in the ski and snowboard industry will bring additional spending, revenue, and jobs to the state;

Whereas, tourists who ski or snowboard in Utah spend money on lift tickets, equipment rentals, hotels, restaurants, car rentals, and other matters, and this money circulates through the economy, supporting over 20,000 local jobs;

Whereas, the seven ski resorts in Summit County and Salt Lake County are all located in close proximity to one another, offering

the opportunity to connect these resorts, an opportunity that leading competing winter tourism states do not have;

Whereas, connecting the ski resorts in Summit County and Salt Lake County will create a skiing experience unavailable anywhere else in North America and reposition Utah's ski and snowboard experience to be even more competitive and attractive relative to other states, leading to increased tourist visitation and spending, which will in turn lead to an increase in revenue and jobs;

Whereas, it is recognized that Big and Little Cottonwood Canyons are critical watersheds from which more than 500,000 Utah residents, businesses, and visitors throughout Salt Lake County receive their drinking water, and that best management practices would be required in any potential resort connections;

Whereas, the balance of multiple uses in the Wasatch Mountains, including developed recreation, such as skiing and picnicking, and dispersed recreation, such as hiking, mountain biking, and back country skiing, are highly valued by residents, visitors, and businesses in Utah and contribute significantly to the state's economy and quality of life;

Whereas, the roads to ski areas in Summit County and Salt Lake County are congested during certain times of the year, and studies should be conducted by numerous federal, state, local, and private sector entities to comprehensively evaluate alternatives to solve transportation problems;

Whereas, connecting the ski resorts in Summit County and Salt Lake County will improve access to the ski resorts and allow the unique opportunity of skiing at multiple resorts in a single day;

Whereas, connecting the ski resorts in Summit County and Salt Lake County is an issue of state concern because the connection will cross county boundaries, have a tremendously positive impact on the state economy, and may contribute positively to state roadways and airsheds;

Whereas, connecting ski resorts will allow the winter sports industry to grow while making the most efficient and sustainable use of ski terrain, roads, facilities, and parking lots;

Whereas, connecting the ski resorts in Summit County and Salt Lake County may require review and approval of permits by Summit County, Salt Lake County, Salt Lake City, Park City, the town of Alta, and the United States Forest Service;

Whereas, the public will be engaged in meaningful and balanced ways in any potential decision-making processes regarding resort interconnections, and these processes will be open and transparent;

Whereas, many skiers drive from Summit County to ski in the Cottonwood Canyons, or from one Cottonwood Canyon resort to ski in Summit County or at another Cottonwood Canyon resort, contributing to congestion on canyon roads;

Whereas, connecting the ski resorts in Summit County and Salt Lake County will decrease traffic on congested canyon roads and lead to cleaner air and water by reducing automobile-related pollution, and provide emergency evacuation options for Big and Little Cottonwood canyons;

Whereas, the 1988 Governor's Task Force on Interconnect concluded that 3 kA)47 S.C.R. 10 Enrolled Copy interconnecting the Wasatch ski resorts ''would provide a substantial boost to Utah's ski industry and have a positive influence on the state's economy''; and

Whereas, the Wasatch Mountains Inter-Resort Transportation Study, completed by Mountainland Association of Governments in 1990, found that connecting the Wasatch resorts ''hold[s] the promise of substantial public benefits in the form of reductions in automobile traffic on congested canyon roadways, watershed and environmental pollution abatement, increased slow-season occupancy of existing facilities, and the potential for future economic expansion'': Now, therefore, be it

Resolved, That the Legislature of the state of Utah, the Governor concurring therein, support connecting the seven ski resorts in Summit County and Salt Lake County with an inter-resort transportation system based on sound research and balanced public input, and careful evaluation of its impact on transportation, the economy, job creation, the environment, multiple uses, and visitor experience; and be it further

Resolved, That the Legislature and Governor encourage Summit County, Salt Lake County, Salt Lake City, Park City, the town of Alta, and the United States Forest Service to fairly consider the benefits of connecting the various resorts and expeditiously approve a low-impact inter-resort transportation system based on appropriate analysis and balanced public input; and be it further

Resolved, That a copy of this resolution be sent to the Summit County Council, the Summit County Manager, the mayor of Park City, the Park City Council, the Salt Lake County Council, the town of Alta, the Mayor of Salt Lake County, the Salt Lake City Council, the Mayor of Salt Lake City, the Chief of the National Forest Service, the Uinta-Wasatch-Cache National Forest Supervisor, the Speaker of the United States House of Representatives, the Majority Leader of the United States Senate, and all members of the Utah Congressional Delegation.

POM–108. A joint resolution adopted by the Legislature of the State of Utah petitioning the federal government to transfer title of public lands to the state of Utah; to the Committee on Energy and Natural Resources.

HOUSE JOINT RESOLUTION NO. 3

Whereas, in 1780, the United States Congress resolved that ''the unappropriated lands that may be ceded or relinquished to the United States, by any particular states, pursuant to the recommendation of Congress of the 6 day of September last, shall be granted and disposed of for the common benefit of all the United States that shall be members of the federal union, and be settled and formed into distinct republican states, which shall become members of the federal union, and have the same rights of sovereignty, freedom and independence, as the other states: . . . and that upon such cession being made by any State and approved and accepted by Congress, the United States shall guaranty the remaining territory of the said States respectively. (Resolution of Congress, October 10, 1780)'';

Whereas, the territorial and public lands of the United States are dealt with in Article IV, section 3, clause 2 of the United States Constitution, referred to as the Property Clause, which states, ''The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States.'';

Whereas, with this clause, the Constitutional Convention agreed that the Constitution would maintain the ''statu quo'' that had been established with respect to the federal territorial lands being disposed of only to create new states with the same rights of sovereignty, freedom, and independence as the original states;

Whereas, under these express terms of trust, the land claiming states, over time, ceded their western land to their confederated union and retained their claims that the confederated government dispose of such lands only to create new states ''and for no other use or purpose whatsoever'' and apply the net proceeds of any sales of such lands only for the purpose of paying down the public debt;

Whereas, with respect to the disposition of the federal territorial lands, the Northwest Ordinance of July 13, 1787, provides, ''The legislatures of those districts or new States, shall never interfere with the primary disposal of the soil by the United States in Congress assembled, nor with any regulations Congress may find necessary for securing the title in such soil to the bona fide purchasers'';

Whereas, by resolution in 1790, the United States Congress declared ''That the proceeds of sales which shall be made of lands in the Western territory, now belonging or that may hereafter belong to the United States, shall be, and are hereby appropriated towards sinking or discharging the debts for the payment whereof the United States now are, or by virtue of this act may be holden, and shall be applied solely to that use, until the said debt shall be fully satisfied'';

Whereas, the intent of the founding fathers to eventually extinguish title to all public lands was reaffirmed by President Andrew Jackson in a message to the United States Senate on December 4, 1833, where he explained the reasons he vetoed a bill entitled ''An act to appropriate for a limited time the proceeds of the sales of the public lands of the United States and for granting lands to certain States'': ''I do not doubt that it is the real interest of each and all the States in the Union, and particularly of the new States, that the price of these lands shall be reduced and graduated, and that after they have been offered for a certain number of years the refuse remaining unsold shall be abandoned to the States and the machinery of our land system entirely withdrawn. It can not be supposed the compacts intended that the United States should retain forever a title to lands within the States which are of no value, and no doubt is entertained that the general interest would be best promoted by surrendering such lands to the States'';

Whereas, in 1828, United States Supreme Court Chief Justice John Marshall, in American Ins. Co. v. 356 Bales of Cotton, 26 U.S. 511 (1828), confirmed that no provision in the Constitution authorized the federal government to indefinitely exercise control over western public lands beyond the duty to manage these lands pending the disposal of the lands to create new states when he said, ''At the time the Constitution was formed, the limits of the territory over which it was to operate were generally defined and recognised (sic). These limits consisted in part, of organized states, and in part of territories, the absolute property and dependencies of the United States. These states, this territory, and future states to be admitted into the Union, are the sole objects of the Constitution; there is no express provision whatever made in the Constitution for the acquisition or government of territories beyond those Limits.'';

Whereas, in 1833, referring to these land cession compacts which arose from the original 1780 congressional resolution, President Andrew Jackson stated, ''These solemn compacts, invited by Congress in a resolution declaring the purposes to which the proceeds of these lands should be applied, originating before the constitution, and forming the basis on which it was made, bound the United States to a particular course of policy in relation to them by ties as strong as can be invented to secure the faith of nations'' (Land bill veto, December 5, 1833);

Whereas, the United States Supreme Court, in State of Texas v. White, 74 U.S. 700 (1868), clarified that a state, by definition, includes a defined sovereign territory, stating that ''State,'' in the constitutional context, is ''a political community of free citizens, occupying a territory of defined boundaries, and organized under a government sanctioned and limited by a written constitution, and established by the consent of the governed'', and added, ''This is undoubtedly the fundamental idea upon which the republican institutions of our own country are established'';

Whereas, in Shively v. Bowlby, 152 U.S. 1 (1894), the United States Supreme Court confirmed that all federal territories, regardless of how acquired, are held in trust to create new states on an equal footing with the original states when it stated, ''Upon the acquisition of a Territory by the United States, whether by cession from one of the States, or by treaty with a foreign country, or by discovery and settlement, the same title and dominion passed to the United States, for the benefit of the whole people, and in trust for the several States to be ultimately created out of the Territory.'';

Whereas, the United States Supreme Court has affirmed that the federal government must honor its trust obligation to extinguish title to the public lands for the sovereignty of the new state to be complete, stating once ''the United States shall have fully executed these trusts, the municipal sovereignty of the new states will be complete, throughout their respective borders, and they, and the original states, will be upon an equal footing, in all respects. . .'' (Polland v. Hagan, 44 U.S. 212 (1845));

Whereas, the enabling acts of the new states west of the original colonies established the terms upon which all such states were admitted into the union, and contained the same promise to all new states that the federal government would extinguish title to all public lands lying within their respective borders;

Whereas, the United States Supreme Court looks upon the enabling acts which create new states as ''solemn compacts'' and ''bilateral (two-way) agreements'' to be performed ''in a timely fashion'';

Whereas, under Section 3 of Utah's Enabling Act, Utah agreed to the same solemn compacts as states preceding in statehood, that until the title to unappropriated public lands lying within the state's boundaries ''shall have been extinguished by the United States, the same shall be and remain subject to the disposition of the United States, and said Indian lands shall remain under the absolute jurisdiction and control of the Congress of the United States; . . . that no taxes shall be imposed by the State on lands or property therein belonging to or which may hereafter be purchased by the United States or reserved for its use'';

Whereas, the trust obligation of the federal government to timely extinguish title of all public lands lying within the boundaries of the state of Utah is made even more clear in Section 9 of Utah's Enabling Act as follows: ''That five per centum of the proceeds of the sales of public lands lying within said State, which shall be sold by the United States subsequent to the admission of said State into the Union, after deducting all the expenses incident to the same shall be paid to the said State, to be used as a Permanent Fund, the interest of which only shall be expended for the support of the common schools within said State'';

Whereas, the federal government confirmed its trust obligation to timely extinguish title to all public lands lying within the boundaries of the state of Utah by and through the 1934 Taylor Grazing Act, which declared that the act was established ''In order to promote the highest use of the public lands pending its final disposal'';

Whereas, in 1976, after nearly 200 years of trust history regarding the obligation of Congress to extinguish title of western lands to create new states and use the proceeds to discharge its public debts, the United States Congress purported to unilaterally change this solemn promise by and through the Federal Land Policy Management Act (FLPMA), which provides, in part, ''The Congress declares that it is the policy of the United States that the public lands be retained in Federal ownership, unless . . . it is determined that disposal of a particular parcel will serve the federal interest'';

Whereas, at the time of Utah's Enabling Act the course and practice of the United States Congress with all prior states admitted to the union had been to fully extinguish title, within a reasonable time, to all lands within the boundaries of such states, except for those Indian lands, or lands otherwise expressly reserved to the exclusive jurisdiction of the United States;

Whereas, the state of Utah did not, and could not have, contemplated or bargained for the United States failing or refusing to abide by its solemn promise to extinguish title to all lands within its defined boundaries within a reasonable time such that the state of Utah and its permanent fund for its common schools could never realize the bargained-for benefit of the deployment, taxation, or economic benefit of all the lands within its defined boundaries;

Whereas, from 1780 forward the federal government only held bare legal title to the western public lands in the nature of a trustee in trust with the solemn obligation to timely extinguish title to such lands to create new states and to use the proceeds to pay the public debt;

Whereas, the federal government complied with its promise and solemn obligation to imminently transfer title of public lands lying within the boundaries of all states to the eastern edge of the state of Colorado and also with the state of Hawaii;

Whereas, by the terms of Utah's Enabling Act, Utah suspended its sovereign right to eventually tax the public lands within its borders, pending final disposition of the public lands;

Whereas, the federal government has repeatedly and persistently failed to honor its promises and has refused to abide by the terms of its preexisting solemn obligations to imminently extinguish title to all public lands;

Whereas, had Congress honored its promise to Utah to timely extinguish title to all public lands within Utah's boundaries, Utah would have had sovereign control over lands within its borders;

Whereas, Congress, by and through FLPMA, unilaterally altered its duty in 1976 to extinguish title to all public lands within Utah's borders by committing to a policy of retention and a process of comprehensive land management and planning coordinated between the federal government, the states, and local governing bodies for access, multiple use, and sustained yield of the public lands;

Whereas, despite the fact that the federal government had not divested all public lands within Utah's borders by 1976, this did not alleviate the federal government from its duty to extinguish title and divest itself of federal ownership of remaining public land in Utah by ceding such land directly to the state as it did with other states;

Whereas, since the passage of FLPMA, the federal government has engaged in a persistent pattern and course of conduct in direct violation of the letter and spirit of FLPMA through an abject disregard of local resource management plans, failure and refusal to coordinate and cooperate with the state and local governments, unilateral and oppressive land control edicts to the severe and extreme detriment of the state and its ability to adequately fund education, provide essential government services, secure economic opportunities for wage earners and Utah business, and ensure a stable prosperous future;

Whereas, under the United States Constitution, the American states reorganized to form a more perfect union, yielding up certain portions of their sovereign powers to the elected officers of the government of their union, yet retaining the residuum of sovereignty for the purpose of independent internal self governance;

Whereas, by compact between the original states, territorial lands were divided into ''suitable extents of territory'' and upon attaining a certain population, were to be admitted into the union upon ''an equal footing'' as members possessing ''the same rights of sovereignty, freedom and independence'' as the original states;

Whereas, the federal trust respecting public lands obligates the United States, through their agent, Congress, to extinguish both their government jurisdiction and their title on the public lands that are held in trust by the United States for the states in which they are located;

Whereas, the state and federal partnership of public lands management has been eroded by an oppressive and over-reaching federal management agenda that has adversely impacted the sovereignty and the economies of the state of Utah and local governments;

Whereas, federal land-management actions, even when applied exclusively to federal lands, directly impact the ability of the state of Utah to manage its school trust lands in accordance with the mandate of the Utah Enabling Act and to meet its obligation to the beneficiaries of the trust;

Whereas, Utah has been substantially damaged in its ability to provide funding for education and the common good of the state and to serve a sustainable, vibrant economy into the future because the federal government has unduly retained control of nearly two-thirds of the lands lying within Utah's borders;

Whereas, Utah consistently ranks highest among all the states in class size and lowest in the nation in per pupil spending for education;

Whereas, had the federal government disposed of the land in or about 1896, Utah would have, from that point forward, generated substantial tax revenues and revenues from the sustainable managed use of its natural resources to the benefit of its public schools and to the common good of the state and nation;

Whereas, the federal government gives Utah less than half of the net proceeds of mineral lease revenues and severance taxes generated from the lands within Utah's borders;

Whereas, Utah has been substantially damaged in mineral lease revenues and severance taxes in that, had the federal government extinguished title to all public lands, Utah would realize 100% of the mineral lease revenues and severance taxes from the lands;

Whereas, the Bureau of Land Management's (BLM) failure to act affirmatively on definitive allocation decisions of multiple use activities in resource management plans has created uncertainty in the future of public land use in Utah and has caused capital to flee the state;

Whereas, during the process of finalizing the most recent six Resource Management Plans, the BLM refused to consider state and

local government acknowledgments of R.S. 2477 rights-of-way or other evidence of the existence of R.S. 2477 rights-of-way in the Grand Staircase Escalante National Monument;

Whereas, the BLM has demonstrated a chronic inability to handle the proliferation of wild horses and burros on the public lands, to the detriment of the rangeland resource;

Whereas, the United States Army Corps of Engineers is proposing to extend its jurisdiction to regulate the waters of the United States to areas traditionally dry, except during severe weather events, in violation of the common definition of jurisdictional waters;

Whereas, in 1996, the president of the United States abused the intent of the Antiquities Act by the creation of the Grand Staircase Escalante National Monument without any consultation with the state and local authorities or citizens;

Whereas, the United States Fish and Wildlife Service is making decisions concerning various species on BLM lands under the provisions of the Endangered Species Act without serious consideration of state wildlife management activities and protection designed to prevent the need for a listing, or recognizing the ability to delist a species, thereby affecting the economic vitality of the state and local region;

Whereas, the BLM has not authorized all necessary rangeland improvement projects involving the removal of pinyon-juniper and other climax vegetation, thereby reducing the biological diversity of the range, reducing riparian viability and water quality, and reducing the availability of forage for both livestock and wildlife;

Whereas, Utah initially supported placing into reserve the six National Forests in Utah—Ashley, Fishlake, Manti La-Sal, Dixie, Uinta, and Wasatch-Cache, because Utah was promised this action would preserve the forest lands as watersheds and for agricultural use—namely timber and other wood products, and grazing;

Whereas, this vision and promise of agricultural production on the forest lands is the reason that the United States Forest Service was made part of the United States Department of Agriculture as opposed to the Department of the Interior;

Whereas, the promise of preservation for agricultural use has been broken by the current and recent administrations;

Whereas, logging, timber, and wood products operations on Utah's National Forests have come to a virtual standstill, resulting in forests that are choked with old growth monocultures, loss of aspen diversity, loss of habitat, and a threat to community watersheds due to insect infestation and catastrophic fire;

Whereas, these conditions are the result of a failure to properly manage the forest lands for their intended use, which is responsible and sustained timber production, watersheds, and grazing;

Whereas, the only remedy for federal government breaches of Utah's Enabling Act Compact and breaches to the spirit and letter of the promises of FLPMA is for the state of Utah to take back title and management responsibility of federally-managed public lands, which would restore the promises in the solemn compact made at statehood;

Whereas, under Article I, Section 8, Clause 17 of the United States Constitution, the federal government is only constitutionally authorized to exercise jurisdiction over and above bare right and title over lands that are ''purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings'';

Whereas, the United States Supreme Court affirmed that the federal government only holds lands as a mere ''ordinary proprietor'' and cannot exert jurisdictional dominion and control over public lands without the consent of the state Legislature, stating ''Where lands are acquired without such consent, the possession of the United States, unless political jurisdiction be ceded to them in some other way, is simply that of an ordinary proprietor (emphasis added). The property in that case, unless used as a means to carry out the purposes of the government, is subject to the legislative authority and control of the states equally with the property of private individuals.''(Ft. Leavenworth R. Co. v. Lowe, 114 U.S. 525 (1885));

Whereas, in a unanimous 2009 decision, the United States Supreme Court, in Hawaii v. Office of Hawaiian Affairs, 556 U.S. 163 (2009), affirmed that Congress has no right to change the promises it made to a state's Enabling Act, stating, ''. . . [a subsequent act of Congress] would raise grave constitutional concerns if it purported to 'cloud' Hawaii's title to its sovereign lands more than three decades after the State's admission to the Union. . . '*[T]he consequences of admission are instantaneous, and it ignores the uniquely sovereign character of that event . . . to suggest that subsequent events somehow can diminish what has already been bestowed'. And that proposition applies a fortiori [with even greater force] where virtually all of the State's public lands. . . are at stake*'' (emphasis added, citation omitted);

Whereas, citizens of the state of Utah have a love of the land and have demonstrated responsible stewardship of lands within state jurisdiction;

Whereas, the state of Utah is willing to sponsor, evaluate, and advance the locally driven efforts in a more efficient manner than the federal government, to the benefit of all users, including recreation, conservation, and the responsible and sustainable management of Utah's natural resources;

Whereas, the state of Utah has a proven regulatory structure to manage public lands for multiple use and sustainable yield;

Whereas, the United States Congress disposed of lands within the boundaries of the states of Tennessee and Hawaii directly to those states;

Whereas, because of the entanglements and rights arising over the 116 years that the federal government has failed to honor its promise to timely extinguish title to public lands and because of the federal government's breach of Utah's Enabling Act and breach of FLPMA, among other promises made, and the damages resulting from such breaches, the United States Congress should imminently transfer title to all public lands lying within the State of Utah directly to the State of Utah, as it did with Hawaii and Tennessee;

Whereas, the Legislature of the state of Utah, upon transfer of title by the federal government of the public lands directly to the state, intends to cede the national park land to the federal government on condition that the lands permanently remain national park lands, that they not be sold, transferred, left in disrepair, or conveyed to any party other than the state of Utah;

Whereas, the Legislature of the state of Utah, upon transfer of title by the federal government of the public lands directly to the state, intends to cede to the federal government all lands currently designated as part of the National Wilderness Preservation System pursuant to the Wilderness Act of 1964;

Whereas, in order to effectively address the accumulated entanglements and expectations over Utah's public lands, including open space, access, multiple use, and the management of sustainable yields of Utah's natural resources, a Utah Public Lands Commission should be formed to review and manage multiple use of the public lands and to determine, through a public process, the extent to which public land may be sold, if any; and

Whereas, to the extent that the Public Lands Commission determines through a public process that any such land should be sold to private owners, that 5% of the net proceeds should be paid to the permanent fund for Utah's public schools, and 95% of the net proceeds should be paid to the federal government to pay down the federal debt: Now, therefore, be it

Resolved that in order to provide a fair, justified, and equitable remedy for the federal government's past and continuing breaches of its solemn promises to the State of Utah as set forth in this resolution and to provide for the sufficient and necessary funding of Utah's public education system, the Legislature of the state of Utah demands that the federal government imminently transfer title to all of the public lands within Utah's borders directly to the state of Utah. Be it further

Resolved, that the Legislature of the state of Utah urges the United States Congress in the most strenuous terms to engage in good faith communication, cooperation, coordination, and consultation with the state of Utah regarding the transfer of public lands directly to the state of Utah. Be it further

Resolved, that, upon transfer of the public lands directly to the state of Utah, the Legislature intends to affirmatively cede the national park lands to the federal government, under Article I, Section 8, Clause 17 of the United States Constitution, on condition that the lands permanently remain national park lands, that they not be sold, transferred, left in substantial disrepair, or conveyed to any party other than the state of Utah. Be it further

Resolved, that, upon transfer of the public lands directly to the state of Utah, the Legislature intends to affirmatively cede to the federal government all lands currently designated as part of the National Wilderness Preservation System pursuant to the Wilderness Act of 1964. Be it further

Resolved, that the Legislature calls for the creation of a Utah Public Lands Commission to review and manage access, open space, sustainable yields, and the multiple use of the public lands and to determine, through a public process, the extent to which public land may be sold. Be it further

Resolved, that, to the extent that the Public Lands Commission determines through a public process that any such land should be sold to private owners, that 5% of the net proceeds should be paid to the permanent fund for the public schools, and 95% should be paid to the Bureau of the Public Debt to pay down the federal debt. Be it further

Resolved, that copies of this resolution be sent to the United States Department of the Interior, the Majority Leader of the United States Senate, the Speaker of the United States House of Representatives, the members of Utah's congressional delegation, and the Governors, Senate Presidents, and Speakers of the House of the 49 other states.

POM–109. A concurrent resolution adopted by the Legislature of the State of Utah expressing support for new technologies and facilities that allow for, and enhance the production and value of, Uintah Black Wax in the Uintah Basin; to the Committee on Energy and Natural Resources.

SENATE CONCURRENT RESOLUTION NO. 8

Whereas, the United States is seeking energy development opportunities;

Whereas, using natural resources from all possible energy producing sources is integral to economic growth;

Whereas, within the Uintah Basin of the state of Utah, there is an abundance of crude oil commonly referred to as Black and Yellow Wax crude;

Whereas, geological estimates put the potential of this resource on equal footing with the largest oil developments in the United States;

Whereas, on average, the United States imports from foreign sources more than half of all oil sold in America;

Whereas, a significant amount of imported oil comes from countries and regions hostile to the interests of the United States;

Whereas, conservative estimates indicate that there is more recoverable oil on federal lands in the United States than in Saudi Arabia, a major source of imported oil;

Whereas, a significant amount of the oil in the Uintah Basin is found beneath tribal lands;

Whereas, the Ute Indian Tribes receive significant compensation from oil production on tribal lands;

Whereas, the United States Treasury receives significant revenues from severance taxes paid from oil extraction on federal and tribal lands;

Whereas, the state of Utah receives significant revenues from severance taxes paid from oil extraction on lands within the state;

Whereas, the Utah School and Institutional Trust Lands (SITLA) receives significant revenues from oil extracted on SITLA lands in the Uintah Basin;

Whereas, the economies of the counties in the Uintah Basin depend upon the oil and gas industry;

Whereas, the major producers of oil in the Uintah Basin are actively pursuing opportunities to increase production;

Whereas, because of the molecular nature of the wax crude in the Uintah Basin, the refineries in North Salt Lake are currently the only viable market for producers of the wax crude;

Whereas, an oil upgrading facility could change the molecular structure of the wax crude to liquefy it and allow the wax to be delivered to market via pipeline;

Whereas, an oil upgrading facility in the Uintah Basin would allow for increased production of the wax crude in the Uintah Basin, to the benefit of all Utahns; and

Whereas, private companies are willing and anxious to build an oil upgrading facility on private land in the Uintah Basin: Now, therefore, be it

Resolved, That the Legislature of the state of Utah, the Governor concurring therein, supports and encourages new technologies and facilities that allow for, and enhance the production and value of, Uintah Black Wax: be it further

Resolved, That the Legislature and the Governor urge that the development of an oil upgrading facility in the Uintah Basin, through the cooperation and consideration of local, state, and federal officials, be conducted in a manner that is prudent, ethical, and lawful: and be it further

Resolved, That a copy of this resolution be sent to the United States Secretary of the Interior, the Utah Petroleum Association, the Utah Department of Natural Resources, the Public Service Commission, and the members of Utah's congressional delegation.

POM–110. A memorial adopted by the Legislature of the State of Florida urging Congress to direct the United States Fish and Wildlife Service to reconsider the proposed rule to designate Kings Bay as a manatee refuge and in lieu of the rule partner with the state and local governments in seeking joint long-term solutions to manatee protection; to the Committee on Energy and Natural Resources.

HOUSE MEMORIAL NO. 611

Whereas, the United States Fish and Wildlife Service established the Crystal River National Wildlife Refuge in 1983 to provide protection and sanctuary for the endangered West Indian manatee within portions of Kings Bay in Crystal River, and

Whereas, the rules currently in effect within the refuge have resulted in a significant increase in manatee population as evidenced by monitoring, sound science, and local data, and

Whereas, the United States Fish and Wildlife Service has proposed a rule to designate all of Kings Bay as a manatee refuge, and

Whereas, adoption of the proposed rule will have a significant adverse impact on the tourism industry, which is a critical part of the Crystal River economy, at a time when its local economy is already seriously weakened by challenges within the national economy, and

Whereas, adoption of the proposed rule will also have a significant adverse impact on the riparian rights of property owners adjacent to Kings Bay and the connecting waterways, and

Whereas, prohibiting the use of any portion of Kings Bay for recreational boating activities, such as swimming, kayaking, and water skiing, will force such activities into the channel of Crystal River, subjecting participants to significant risks associated with sharing the channel with commercial fishing boats and other large watercraft, and

Whereas, there are viable alternatives to the proposed rule, such as increased enforcement of the rules currently in effect, which would accomplish the desired outcome of a reduced incidence rate of manatee injury or death without unduly restricting public use of Kings Bay, a water body that has historically served as the heart of the Crystal River community, and

Whereas, the City Council of the City of Crystal River and the Board of County Commissioners of Citrus County passed unanimous resolutions requesting that the United States Fish and Wildlife Service reconsider the proposed rule, and

Whereas, adoption of the proposed rule without a proper review of the impact on the City of Crystal River and the surrounding communities would be arbitrary and capricious: Now, therefore, be it

Resolved, by the Legislature of the State of Florida: That the Congress of the United States is urged to direct the United States Fish and Wildlife Service to reconsider the proposed rule to designate Kings Bay as a manatee refuge and in lieu of the rule partner with the state and local governments in seeking joint long-term solutions to manatee protection; and be it further

Resolved, That copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress.

POM–111. A concurrent resolution adopted by the Legislature of the State of Utah urging Congress to delegate the regulation of hydraulic fracturing to the states; to the Committee on Environment and Public Works.

SENATE CONCURRENT RESOLUTION NO. 12

Whereas, hydraulic fracturing, a mechanical method of increasing the permeability of rock, thus increasing the amount of oil or gas produced from the rock, has greatly enhanced oil and gas production in Utah;

Whereas, oil and gas production increases have led to growth in employment and economic development as well as promotion of energy independence for the United States;

Whereas, the state of Utah, through the Division of Oil, Gas, and Mining and the Department of Environmental Quality, have proven more than capable of regulating oil and gas recovery processes and ensuring the safety of workers while protecting the environment; and

Whereas, the state is best situated to closely monitor oil and gas drilling and fracturing operations to ensure that they are conducted in an environmentally sound manner: Now, therefore, be it

Resolved, That the Legislature of the state of Utah, the Governor concurring therein, urges the Congress of the United States to clearly delegate responsibility for the regulation of hydraulic fracturing to the states; and be it further

Resolved, That a copy of this resolution be sent to the United States Secretary of the Interior, the Utah Division of Oil, Gas, and Mining, and the members of Utah's congressional delegation.

POM–112. A joint resolution adopted by the Legislature of the State of Maine urging the President of the United States and the United States Congress to enact the Social Security Fairness Act of 2011; to the Committee on Finance.

JOINT RESOLUTION

Whereas, under current federal law, an individual who receives a Social Security benefit and a public retirement benefit derived from employment not covered under Social Security is subject to a reduction in the individual's Social Security benefit; and

Whereas, these laws, known as the Government Pension Offset and the Windfall Elimination Provision, greatly affect public employees and the Government Pension Offset requires a reduction in the spousal benefit received under Social Security equal to 2/3 of the surviving spouse's benefit under another government pension plan even though the spousal benefit was fully earned; and

Whereas, the Windfall Elimination Provision reduces the Social Security benefit of a person who is also receiving a pension from a public employer that does not participate in Social Security; and

Whereas, the Government Pension Offset and the Windfall Elimination Provision are particularly burdensome on the finances of low-income and moderate-income public service workers such as school teachers, clerical workers and school cafeteria employees; and

Whereas, the Government Pension Offset and the Windfall Elimination Provision both unfairly reduce benefits for those public employees and their spouses whose careers cross the line between the private and public sectors; and

Whereas, since many lower-paying public service jobs are held by women, both the Government Pension Offset and the Windfall Elimination Provision have a disproportionately adverse effect on women; and

Whereas, in some cases, additional support in the form of income, housing, heating and prescription drug assistance and other safety net assistance from state and local governments is needed to make up for the reductions imposed at the federal level; and

Whereas, other participants in Social Security do not have their benefits reduced in this manner; and

Whereas, to participate or not to participate in Social Security in public sector employment is a decision of employers, even though both the Government Pension Offset and the Windfall Elimination Provision directly punish employees and their spouses; and

Whereas, although the Government Pension Offset was enacted in 1977 and the Windfall Elimination Provision was enacted in

1983, many of the benefits in dispute had been paid into Social Security prior to the enactment of those laws; and

Whereas, H.R. 1332, the Social Security Fairness Act of 2011, a bipartisan bill introduced in the United States House of Representatives, would repeal these 2 unfair federal pension offsets, which penalize so many people in Maine and the rest of the Nation; now, therefore, be it

Resolved: That We, your Memorialists, respectfully urge and request that the President of the United States and the United States Congress work together to enact the Social Security Fairness Act of 2011, permitting retention of a combined public pension and Social Security benefit with no applied reductions; and be it further

Resolved: That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to the Honorable Barack H. Obama, President of the United States; the President of the United States Senate; the Speaker of the United States House of Representatives; and each Member of the Maine Congressional Delegation.

POM–113. A joint memorial adopted by the Legislature of the State of Colorado memorializing Congress to modify certain reporting procedures for small nonprofit organizations to require the Internal Revenue Service to adequately notify such organizations of the procedures and to allow such organizations to remedy reporting deficiencies; to the Committee on Finance.

SENATE JOINT MEMORIAL NO. 12–003

Whereas, in 2004, the United States Senate Finance Committee issued a white paper proposing reforms to federal oversight of nonprofit organizations; and

Whereas, Senator Charles Grassley, Chair of the Senate Finance Committee, encouraged formation of a panel of nonprofit leaders to examine these issues in the white paper and submit recommendations to Congress; and

Whereas, in 2005, the Panel on the Nonprofit Sector (panel) issued a ''Report to Congress and the Nonprofit Sector on Governance, Transparency, and Accountability''; and

Whereas, as part of its report, the panel recommended that small nonprofit organizations be required to file an annual notice with the Internal Revenue Service. The report also recommended that the Internal Revenue Service should have the authority, ''[a]fter an appropriate phase-in period, . . . to suspend the tax-exempt status of organizations that fail to file the required notification form for three consecutive years''; and

Whereas, the panel recommended the annual notice because it ''. . . will assist the IRS in providing more accurate information to the public about organizations eligible to receive tax-deductible contributions''; and

Whereas, in 2006, Congress adopted the ''Pension Protection Act of 26'' (act), which was based in part on the panel's recommendations; and

Whereas, section 1223 of the act, codified at 2006 U.S.C. sec. 6033, created new and unfamiliar annual filing requirements for many small nonprofit organizations by requiring those organizations to annually file Form 990–N, also known as the e-Postcard; and

Whereas, the act requires that an affected organization's tax-exempt status ''be considered revoked'' rather than ''suspended'' after failing to file the e-Postcard for three consecutive years; and

Whereas, although the Internal Revenue Service sent an initial mailing in 2007 and has since developed other resources to alert these affected nonprofit organizations of the new filing requirements, nonprofit organizations with outdated contact information with the Internal Revenue Service did not receive these notices, and many others were not sufficiently aware of how to comply with their new reporting duties; and

Whereas, based on some constituent conversations with Internal Revenue Service representatives and contrary to statements on the Internal Revenue Service's web site, the Internal Revenue Service does not send reminder notices to organizations that do not file their e-Postcards on time and only notifies affected organizations after such revocation has occurred; and

Whereas, approximately 400,000 nonprofit organizations across the United States, including thousands of organizations in Colorado, many of which have annual budgets of less than $25,000, have had their tax-exempt status automatically revoked by the Internal Revenue Service for failing to file an annual notice for three consecutive years. Although many of these organizations no longer do business, many other organizations continue to operate and could have successfully maintained their tax-exempt status if they had received more timely notice of the impending revocation; and

Whereas, although the Internal Revenue Service allows revoked organizations to apply for retroactive reinstatement of their tax-exempt status, the application process is burdensome and costly for these nonprofit organizations; Now, therefore, be it

Resolved by the Senate of the Sixty-eighth General Assembly of the State of Colorado, the House of Representatives concurring herein,

That we, the members of the Colorado General Assembly, hereby memorialize the United States Congress to amend 26 U.S.C. sec. 6033 so that:

(1) The Internal Revenue Service is required to send timely notification to remind small nonprofit organizations when they have not filed the e-Postcard on time and to inform them of any impending revocation or other action affecting their tax-exempt status due to their failure to file an annual notice for three consecutive years; and

(2) The Internal Revenue Service is required to suspend, not revoke, the tax-exempt status of any nonprofit organization that fails to file for three consecutive years so that a nonprofit organization's tax-exempt status may be simply and retroactively restored without the organization being required to reapply for a determination of tax-exempt status; and be it further

Resolved, That copies of this Joint Memorial be sent to each member of Colorado's congressional delegation, Speaker of the United States House of Representatives John Boehner, Senate Majority Leader Harry Reid, Secretary of the United States Senate Nancy Erickson, Clerk of the United States House of Representatives Karen L. Haas, and Treasury Secretary Timothy Geithner.

POM–114. A joint resolution adopted by the Legislature of the State of Utah urging the United States Congress to pass legislation for the fair and constitutional collection of state sales tax by both in-state and remote sellers; to the Committee on Finance.

HOUSE JOINT RESOLUTION NO. 14

Whereas, United States Supreme Court decisions in National Bellas Hess v. Department of Revenue, 386 U.S. 753 (1967) and Quill Corp. v. N.D., 504 U.S. 298 (1992), have ruled that the Commerce Clause of the United States Constitution denies states the authority to require the collection of sales and use taxes by remote sellers that have no physical presence in the taxing state;

Whereas, the United States Supreme Court also declared in the Quill v. North Dakota decision that Congress could exercise its authority under the Commerce Clause of the United States Constitution to decide ''whether, when, and to what extent'' the states may require sales and use tax collection on remote sales;

Whereas, states and localities that use sales and use taxes as a revenue source may not collect revenue from some portion of remote sales commerce;

Whereas, since 1999, various state legislators, governors, local elected officials, state tax administrators, and representatives of the private sector have worked together as a Streamlined Sales Tax Project and Governing Board to develop a streamlined sales and use tax system currently adopted in some form in 24 states;

Whereas, between 2001 and 2002, 40 states enacted legislation expressing their intent to simplify the states' sales and use tax collection systems, and to participate in discussions to allow for the collection of states' sales and use taxes;

Whereas, the actions of these states arguably provide some justification for Congress to enact legislation to allow states to require remote sellers to collect the states' sales and use tax;

Whereas, any federal legislation should be fair to both in-state and remote sellers, whether such legislation requires sales and use taxes to be collected on a point-of-sales or point-of-delivery basis;

Whereas, Congress, in considering federal legislation, should consider the following principles: 1) state-provided or state-certified tax collection and remittance software that is simple to implement and maintain; 2) immunity from civil liability for retailers utilizing state-provided or state-certified software in tax collection and remittance; 3) tax audit accountability to a single state tax audit authority; 4) elimination of interstate tax complexity by streamlining taxable good categories; 5) adoption of a meaningful small business exception so that small businesses that sell remotely are not adversely affected by the legislation; and 6) fair compensation to the tax-collecting retailer;

Whereas, the Utah State Legislature and some of its sister legislatures in other states have acknowledged the complexities of the current sales and use tax system, have formulated varied alternative collection systems, and have shown the political will to make changes in their respective sales and use tax systems;

Whereas, the enactment of legislation by Congress and the President that allows states to require remote sellers to collect the states' sales and use taxes, will facilitate the states' ability to enforce their current laws for collecting sales and use taxes on remote sales;

Whereas, requiring remote sellers to collect the sales and use taxes may broaden Utah's sales tax base and potentially enable the Utah State Legislature to lower sales and use tax rates; and

Whereas, empowering states to collect sales and use taxes on in-state and remote sales is consistent with the 10th Amendment to the United States Constitution and is a states' rights issue: Now, therefore, be it

Resolved, That the Utah State Legislature urges the United States House of Representatives and the United States Senate to pass, without delay, and the President of the United States to sign, federal legislation that provides for the fair and constitutional collection of state sales and use taxes; and be it further

Resolved, That the Legislature of the state of Utah urges that, in passing such legislation, Congress consider the following principles: 1) state-provided or state-certified tax collection and remittance software that is

simple to implement and maintain; 2) immunity from civil liability for retailers utilizing state-provided or state-certified software in tax collection and remittance; 3) tax audit accountability to a single state tax audit authority; 4) elimination of interstate tax complexity by streamlining taxable good categories; 5) adoption of a meaningful small business exception so that small businesses that sell remotely are not adversely affected by the legislation; and 6) fair compensation to the tax-collecting retailer; and be it further

Resolved, That the Legislature of the state of Utah, recognizing that such legislation may not include all of these principles, declares that Congress's passage of the legislation will help create consistent standards for retailers forced to collect state sales and use taxes whether on a point-of-delivery basis or a point-of-sale basis, thus leveling the playing field between in-state and remote sellers; and be it further

Resolved, That this resolution be sent to the President of the United States, the Majority Leader of the United States Senate, the Speaker of the United States House of Representatives, and to the members of Utah's congressional delegation.

POM–115. A joint resolution adopted by the Legislature of the State of Utah supporting Social Security reform measures; to the Committee on Finance.

SENATE JOINT RESOLUTION NO. 13

Whereas, Social Security is the largest single item in the federal budget;

Whereas, in fiscal year 2011, the federal government spent $730 billion on Social Security, or 20% of the total $3.6 trillion federal budget;

Whereas, over the next 75 years, Social Security's unfunded liability is $6.5 trillion;

Whereas, Social Security has been running a deficit since 2010 and will be incurring annual deficits permanently unless the system is reformed;

Whereas, opponents of Social Security reform argue that Social Security has a $2.6 trillion trust fund that is backed by the full faith and credit of the United States Government, but these government bonds are simply obligations that the federal government owes itself, so redeeming these Treasury IOU's requires the federal government to cut spending elsewhere, raise taxes, issue more debt to the public, or monetize debt through the Federal Reserve;

Whereas, reform opponents have also falsely claimed that Social Security has not added a single penny to the deficit because Social Security is legally prohibited from deficit spending, but Social Security is now operating at a deficit on a cash basis;

Whereas, while reform opponents counter that the Social Security Trust Fund paid $118 billion in interest in 2010 and about $115 billion in interest in 2011, but these payments are not real money, but are accounting mechanisms that transfer phantom money from one government account to another;

Whereas, the Congressional Budget Office projects federal government non-interest spending to reach 25% of the Gross Domestic Product in 2035;

Whereas, including interest, federal spending will reach 34% of the Gross Domestic Product;

Whereas, since these levels are not sustainable, Congress must slow the growth in federal spending;

Whereas, Representative Jason Chaffetz has announced his proposals for Social Security reform that he plans to introduce as legislation in the United States Congress;

Whereas, the proposed reform implements longevity indexing by increasing normal retirement age from 67 for those born in 1960, to 68 for those born in 1966, and to 69 for those born in 1972;

Whereas, in years after 1972, the normal retirement age is increased one month every two years, while keeping early retirement age unchanged at 62;

Whereas, the proposed reform changes the cost of living allowance calculation from the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W) to chained CPI–W which is a more accurate representation of inflation;

Whereas, the proposed reform adds an additional bend point at the 50th percentile for calculating the primary insurance amount;

Whereas, for workers with lifetime earnings above the 50th percentile, the primary insurance amount grows across generations by a combination of the CPI–W growth and average wage growth instead of just average wage growth;

Whereas, change begins for newly eligible retirees in 2016 and ends in 2055;

Whereas, the proposed reform increases the number of years from 35 to 40 that are included for calculation of Average Indexed monthly earnings by adding one additional computational year for those becoming eligible in 2012, 2014, 2016, 2018, and 2020;

Whereas, the proposed reform indexes the special minimum benefit to wages instead of CPI beginning in 2012;

Whereas, in 2011, the special minimum benefits were $791 per month for 30 years of coverage and $394 per month for 20 years of coverage;

Whereas, the proposed reform allows for five years of child care to be included as creditable coverage if not already creditable;

Whereas, the proposed reform increases benefits by 5% for beneficiaries starting at age 85;

Whereas, the proposed reform implements an annual means test that reduces the benefit up to 50% for couples earning more than $360,000 in the most recent tax year;

Whereas, total Social Security benefits would continue to grow but at a slower rate, allowing the system to avoid insolvency;

Whereas, the vast majority of retirees, particularly those with average or below average lifetime earnings, would receive a larger check than they are getting today;

Whereas, some will actually receive an increase over what they would be getting without reform;

Whereas, using current benefits as a baseline and adjusting these benefits for inflation, middle and lower income retirees in future years will get essentially the same or better benefits than current retirees; and

Whereas, these measures must be taken very soon in order for the Social Security system to avoid an otherwise inevitable collapse: Now, therefore, be it

Resolved, That the Legislature of the state of Utah expresses support for the Social Security reform measures proposed by Congressman Jason Chaffetz, and be it further

Resolved, That a copy of this resolution be sent to the Majority Leader of the United States Senate, the Speaker of the United States House of Representatives, the Social Security Administration, and to the members of Utah's congressional delegation.

POM–116. A joint resolution adopted by the Legislature of the State of Utah urging the Obama Administration to support Taiwan's meaningful participation in the United Nations as an observer; to the Committee on Foreign Relations.

SENATE JOINT RESOLUTION NO. 2

Whereas, in May 2009, Taiwan's inclusion in the World Health Organization raised the possibility for Taiwan to be meaningfully involved in other United Nations' agencies, programs, and conventions;

Whereas, the Taipei Flight Information Region, under the jurisdiction of the Government of Taiwan, covers an airspace of 176,000 square nautical miles and provides air traffic control services to over 1,350,000 flights annually;

Whereas, Taiwan Taoyuan International Airport is recognized as the world's 8th largest airport by international cargo volume and number of international passengers;

Whereas, exclusion from the International Civil Aviation Organization (ICAO) since 1971 has impeded the efforts of the Government of Taiwan to maintain civil aviation practice that comports with evolving international standards due to its inability to contact the ICAO for up-to-date information on aviation standards and norms in a timely manner;

Whereas, the exclusion of Taiwan from the ICAO has prevented the ICAO from developing a truly global strategy to address security threats based on effective international cooperation; and

Whereas, ICAO rules and existing practices have allowed for the meaningful participation of noncontracting nations, as well as other bodies, in its meetings and activities by granting observer status: Now, therefore, be it

Resolved, That the Legislature of the state of Utah urges the Obama Administration to support Taiwan's meaningful participation as an observer in the United Nations' specialized agencies, programs, and conventions; and be it further

Resolved, That a copy of this resolution be sent to the president of the United States, the government of Taiwan, and the members of Utah's congressional delegation.

POM–117. A resolution adopted by the Senate of the State of Rhode Island urging the United States Congress to fully fund the Workforce Investment Act (WIA); to the Committee on Health, Education, Labor, and Pensions.

SENATE RESOLUTION NO. 2303

Whereas, The United States Congress is considering an appropriations bill that would significantly cut funding to federal workforce programs including the Adult, Dislocated Worker, and Youth programs authorized under the Workforce Investment Act (WIA); and

Whereas, WIA is the major funding source for the employment and training programs in the states, including education, placement, and business support services; and

Whereas, WIA appropriations help fund Rhode Island's comprehensive One-Stop Career Centers, local Workforce Investment Boards, contextualized training, innovative industry partnerships, and a myriad of other services designed to improve the skill level and work preparedness of Rhode Island's workforce; and

Whereas, Programs funded by WIA provide a valuable service to our business community by helping to provide a 21st century skilled workforce that is designed to meet the needs of Rhode Island employers who are struggling to recover from the recent recession; and

Whereas, Over the past two years, the Department of Labor and Training estimates that WIA programs have assisted over 33,600 Rhode Islanders in their efforts to obtain new skills and secure employment; and

Whereas, A significant reduction in federal WIA funding would devastate the workforce development system in Rhode Island, resulting in fewer training and retraining opportunities for unemployed job seekers, reducing funds for valuable on-the-job training, reducing funding for the state's Rapid Response

layoff aversion program, reducing the number of work experience and career exploration programs for vulnerable at-risk youth, and hindering the development and enhancement of a workforce that can compete in the global economy: Now, therefore be it

Resolved, That this Senate of the State of Rhode Island and Providence Plantations hereby strongly urges and implores Congress to fully fund the Workforce Investment Act, the cornerstone of the state workforce system that provides vital services to the unemployed, underemployed, and employers as they try to rebound from the recent recession; and be it further

Resolved, That the Secretary of State be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the President of the United States Senate, to the Speaker of the United States House of Representatives, to the Honorable Jack Reed and Sheldon Whitehouse, United States Senators, and to the Honorable James R. Langevin and David N. Cicilline, United States Representatives.

POM–118. A joint resolution adopted by the Legislature of the State of Utah recognizing pregnancy care centers and expressing support for their efforts on behalf of those facing unplanned pregnancies; to the Committee on Health, Education, Labor, and Pensions.

SENATE JOINT RESOLUTION NO. 21

Whereas, the life-affirming impact of pregnancy care centers on the women, men, children, and communities they serve is considerable and growing;

Whereas, pregnancy care centers serve women in Utah and across the United States with integrity and compassion;

Whereas, more than 2,500 pregnancy care centers across the United States provide comprehensive care to women and men in relation to unplanned pregnancies, including resources to meet their physical, psychological, emotional, and spiritual needs;

Whereas, pregnancy care centers offer women free, confidential, and compassionate services, including pregnancy tests, peer counseling, 24-hour telephone hotlines, childbirth and parenting classes, and referrals to community, health care, and other supportive services;

Whereas, many medical pregnancy care centers offer ultrasounds and other medical services;

Whereas, many pregnancy care centers provide information on adoption and adoption referrals to pregnant women;

Whereas, pregnancy care centers encourage women to make positive life choices by equipping them with complete and accurate information regarding their pregnancy options and the development of their unborn children;

Whereas, pregnancy care centers provide women with compassionate and confidential peer counseling in a nonjudgmental manner regardless of their pregnancy outcomes;

Whereas, pregnancy care centers provide important support and resources for women who choose childbirth over abortion;

Whereas, pregnancy care centers ensure that women are receiving prenatal information and services that lead to the birth of healthy infants;

Whereas, many pregnancy care centers provide grief assistance for women and men who regret the loss of their children from past choices they have made;

Whereas, many pregnancy care centers work to prevent unplanned pregnancies by teaching effective abstinence education in public schools;

Whereas, both federal and state governments are increasingly recognizing the valuable services of pregnancy care centers through the designation of public funds for such organizations;

Whereas, pregnancy care centers operate primarily through reliance on the voluntary donations and time of individuals who are committed to caring for the needs of women and promoting and protecting life; and

Whereas, pregnancy care centers provide full disclosure, in both their advertisements and direct contact with women, of the types of services they provide: Now, therefore, be it

Resolved, That the Legislature of the state of Utah expresses strong support for pregnancy care centers for their unique, positive contributions to the individual lives of women, men, and babies—both born and unborn; and be it further

Resolved, That the Legislature recognizes the compassionate work of tens of thousands of volunteers and paid staff at pregnancy care centers in Utah and across the United States; and be it further

Resolved, That the Legislature of the state of Utah strongly encourages the United States Congress and other federal and government agencies to grant pregnancy care centers assistance for medical equipment and abstinence education in a manner that does not compromise the mission or religious integrity of these organizations; and be it further

Resolved, That the Legislature of the state of Utah expresses disapproval of the actions of any national, state, or local groups attempting to prevent pregnancy care centers from effectively serving women and men in relation to unplanned pregnancies; and be it further

Resolved, That a copy of this resolution be sent to each pregnancy care center in Utah, the President of the United States, the Majority Leader of the United States Senate, the Speaker of the United States House of Representatives, and to the members of Utah's congressional delegation.

POM–119. A concurrent resolution adopted by the Legislature of the State of Utah urging Congress to continue the Navajo Electrification Demonstration Project and fund it so that the entire Navajo Nation may receive electricity; to the Committee on Indian Affairs.

HOUSE CONCURRENT RESOLUTION

Whereas, the Navajo Electrification Demonstration Project was created by the United States Congress and extended to provide funding for the rural electrification of homes on the Navajo Nation Reservation that are not currently being served;

Whereas, under the original law, Navajo Electrification Demonstration Project funding was authorized at an annual level of $15,000,000 for five years;

Whereas, to date, only $14,500,000, including a fiscal year 2011 allocation $1,750,000, has been appropriated to the Navajo Tribal Utility Authority out of the original congressional authorization of $75,000,000;

Whereas, the Navajo Electrification Demonstration Project expands traditional sources of power and implements renewable energy sources and other advanced electric power technologies;

Whereas, the funds are funneled through the United States Department of Energy and disbursed as giants to the Navajo Nation to provide electricity to approximately 18,000 homes on the Navajo reservation that currently lack this basic service;

Whereas, the act also authorized the United States Department of Energy to provide technical support to the Navajo Nation in the use of advanced power technologies; and

Whereas, despite the passage of laws creating the Navajo Electrification Demonstration Project, Congress must act to appropriate the funds in order for the money to be distributed to the project: Now, therefore, be it

Resolved, That the Legislature of the state of Utah, the Governor concurring therein, urges the United States Congress to reauthorize and continue the Navajo Electrification Demonstration Project; and be it further

Resolved, That the Legislature and the Governor urge the United States Congress to fund the Navajo Electrification Demonstration Project to provide the necessary funding of $15,000,000 per year for five years, so that the basic necessity of electricity can become available to the entire Navajo Nation; and be it further

Resolved, That a copy of this resolution be sent to the Majority Leader of the United States Senate, the Speaker of the United States House of Representatives, the Navajo Nation, and to the members of Utah's congressional delegation.

POM–120. A concurrent resolution adopted by the Legislature of the State of Utah urging the United States Congress to quickly pass legislation to establish a new management structure to protect the ability of Utah Navajo residents in San Juan County to receive the benefit of Navajo Trust Fund money; to the Committee on Indian Affairs.

HOUSE CONCURRENT RESOLUTION NO. 12

Whereas, the United States Congress, in 1933 and again in 1968, authorized the state of Utah to receive 37.5% of the royalties from the production of mineral leases on that portion of the Navajo Reservation in Utah, to be expended for the benefit of the Navajo residents of San Juan County, Utah;

Whereas, oil and gas was discovered in commercial quantities within the boundaries of the Utah portion of the Navajo Reservation in the mid-1950's, and production has continued until the current day;

Whereas, the state of Utah has managed the royalty receipts for the health, education, and welfare of Utah Navajos since that time;

Whereas, the state of Utah managed the funds for many years through a state governmental entity known as the Navajo Trust Fund (Fund);

Whereas, the state of Utah indicated its desire to resign as trustee of the fund in the 2008 General Session of the Utah Legislature in order to allow the Utah Navajo residents of San Juan County the ability to manage the royalty receipts themselves;

Whereas, the Navajo Trust Fund was repealed, effective June 30, 2008, and authority to manage the funds was transferred to the Department of Administrative Services, which created the Utah Navajo Royalties Holding Fund to manage expenditures until a successor management entity could be Congressionally authorized;

Whereas, the Navajo Trust Fund was required to decline any further projects for approval after the statutorily created May 2008 cut-off date, except for applications for assisting new Navajo students with their secondary education expenses;

Whereas, the Utah Navajo Royalties Holding Fund has been winding down expenditures from the activities of the Navajo Trust Fund by completing projects authorized before the May 2008 cut-off date, and by assisting students;

Whereas, the authority to expend funds for any project authorized before the cut-off date in May 2008 expired January 1, 2012, except for new students, which authority expires at the end of June 2012;

Whereas, the Utah Navajo Royalties Holding Fund will begin the process of accounting for all assets of the Fund in preparation for an efficient transfer to the expected Congressionally authorized successor management entity;

Whereas, the State of Utah desires to turn the funds over to a successor management entity as soon as feasible in order to allow the Navajo residents of Utah to manage the funds for their own benefit;

Whereas, Utah Navajos have a great need for expenditure of the royalty receipts for secondary education, housing, power lines, water lines, healthcare, and the creation of jobs, among other pressing needs;

Whereas, Utah's Congressional delegation has been asked to sponsor and advance legislation through the United States Congress designating a successor management entity; and

Whereas, this legislation has not advanced through Congress to this point, and action does not appear imminent: Now, therefore, be it

Resolved, That the Legislature of the state of Utah, the Governor concurring therein, urges the United States Congress to quickly pass legislation establishing a successor management structure that protects the ability of the Utah Navajo residents of San Juan County to receive the benefit of Navajo Trust Fund money; and be it further

Resolved, That the Legislature and the Governor urge the United States Congress to expedite the required transfer of assets so that Utah's Navajo residents may again receive the benefit of these funds; and be it further

Resolved, That a copy of this resolution be sent to the Speaker of the United States House of Representatives, the Majority Leader of the United States Senate, the Chair of the United States House of Representatives' Natural Resources Committee's Subcommittee on Indian and Alaska Native American Affairs, the Chair of the United States Senate Committee on Indian Affairs, and to the members of Utah's congressional delegation.

POM–121. A concurrent resolution adopted by the Legislature of the State of Utah recognizing the remarkable courage and honor displayed by the men and women in law enforcement and the risks they take to keep their communities safe; to the Committee on the Judiciary.

HOUSE CONCURRENT RESOLUTION NO. 4

Whereas, on January 4, 2012, Agent Jared Daniel Francom of the Ogden Police Department, serving on the Weber-Morgan Narcotics Strike Force, was fatally wounded serving a search warrant on a residence in Ogden, Utah;

Whereas, Officer Michael Rounkles, Agent Kasey Burrell, and Agent Shawn Grogan of the Ogden Police Department were also wounded in the shooting;

Whereas, Agent Nate Hutchinson, a sergeant in the Weber County Sheriff's Office was also wounded in the shooting;

Whereas, Agent Jason Vanderwarf of the Roy Police Department was also injured in the shooting;

Whereas, the officers on the Weber-Morgan Narcotics Task Force acted quickly and bravely to subdue the suspect, preventing further injury and loss of life;

Whereas, Officer Michael Rounkles, responding to the scene in the course of his patrol duties, displayed incredible courage above and beyond the call of duty in his efforts to rescue and defend the agents of the Task Force who had come under fire;

Whereas, Agent Jared Daniel Francom served with the Ogden Police Department for eight years;

Whereas, Agent Jared Daniel Francom served his community with honor and distinction;

Whereas, Utah has come together to mourn and honor Agent Jared Daniel Francom, with an estimated 4,000 people attending his funeral on January 11, 2012, in Ogden, Utah; and

Whereas, the injury or loss of any police officer is a reminder of the risks taken by all the men and women of law enforcement on behalf of their communities: Now, therefore, be it

Resolved, That the Legislature of the state of Utah, the Governor concurring therein, recognizes and honors the sacrifice of Agent Jared Daniel Francom; and be it further

Resolved, That the Legislature and the Governor extend their deepest condolences to the family and friends of Agent Jared Daniel Francom; and be it further

Resolved, That the Legislature and the Governor express their wishes that Ogden Police Officers Michael Rounkles, Kasey Burrell, and Shawn Grogan will have a full and speedy recovery; and be it further

Resolved, That the Legislature and the Governor express their wishes that Agent Nate Hutchinson, sergeant in the Weber County Sheriff's Office, and Roy Police Officer Agent Jason Vanderwarf will have a full and speedy recovery; and be it further

Resolved, That the Legislature and the Governor recognize the remarkable courage and honor displayed by the men and women in law enforcement and the risks they take to keep their communities safe; and be it further

Resolved, That a copy of this resolution be sent to the family of Agent Daniel Francom; to Ogden Police Officers Michael Rounkles, Kasey Burrell, and Shawn Grogan; to Agent Nate Hutchinson, sergeant in the Weber County Sheriff's Office; to Roy Police Officer Agent Jason Vanderwarf; to the Ogden City Police Department; to the Weber County Sheriff's Office; to the Roy Police Department; and to the members of Utah's congressional delegation.

POM–122. A memorial adopted by the Legislature of the State of Florida urging Congress to propose to the states an amendment to the Constitution of the United States that would limit the consecutive terms of office which a member of the United States Senate or the United States House of Representatives may serve; to the Committee on the Judiciary.

HOUSE MEMORIAL NO. 83

Whereas, Article V of the Constitution of the United States authorizes Congress to propose amendments to the Constitution which shall become valid when ratified by the states, and

Whereas, a continuous and growing concern has been expressed that the best interests of this nation will be served by limiting the terms of members of Congress, a concern expressed by the founding fathers, incorporated into the Articles of Confederation, attempted through legislation adopted by state legislatures, and documented in recent media polls: Now, therefore, be it

Resolved by the Legislature of the State of Florida, That the Florida Legislature respectfully petitions the Congress of the United States to propose to the states an amendment to the Constitution of the United States to limit the number of consecutive terms which a person may serve in the United States Senate or the United States House of Representatives; and be it further

Resolved, That copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress.

POM–123. A resolution adopted by the Senate of the State of Rhode Island memorializing the Congress of the United States to take immediate action to make the Republic of Poland eligible for the United States Department of State's Visa Waiver Program; to the Committee on the Judiciary.

SENATE RESOLUTION NO. 2063

Whereas, The Republic of Poland is a free, democratic, and independent nation; and

Whereas, The Republic of Poland is an integral member of the European Union and the North Atlantic Treaty Organization; and

Whereas, The Republic of Poland has been and continues to be a proven, indispensable, loyal friend and ally of the United States in the global campaign against terrorism in Iraq, Afghanistan, and elsewhere; and

Whereas, All citizens of the nations constituting the European Union enjoy travel to the United States visa-free as provided by the Visa Waiver Program of the United States Department of State, except for the citizens of Poland, Bulgaria, Cyprus, Malta, and Romania; and

Whereas, The state legislatures of Massachusetts (May 2004), New Jersey (October 2004), Vermont (January 2005), Pennsylvania (April 2005), Connecticut and Maine (May 2005), Nebraska, New York, and Ohio (June 2005), Michigan (June 2006), Arizona (April 2007). Illinois (October 2007), and Massachusetts again (July 2010) passed Visa Waiver for Poland Resolutions in response to their American citizens of Polish decent; and

Whereas, Among the nearly ten million Americans of Polish descent in the nation, the 46,707 Americans of Polish descent in Rhode Island also are dissapointed and dismayed that Poland, the nation that provided America with the services of Thaddeus Kosciuszko, who engineered the victory at Saratoga and designed the fortifications at West Point and Casimir Pulaski, the ''father of the United States Calvary'' during our ''Glorious Cause'' in the War for Independence from Great Britain, is currently excluded from our nation's Visa Waiver Program; Now, therefore be it

Resolved, That this Senate of the State of Rhode Island and Providence Plantations hereby respectfully urges the Congress and the President of the United States to take immediate action to make the Republic of Poland eligible for the United States Department of State's Visa Waiver Program; and be it further

Resolved, The Secretary of State be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the clerk of House of Representatives, the President of the United States, the United States Secretary of State, the Secretary of Homeland Security, the Presiding Officers of each chamber of the United States Congress, the members of the Rhode Island Congressional Delegation, and to His Excellency Robert Kupiecki, Ambassador of the Republic of Poland to the United States.

POM–124. A concurrent resolution adopted by the Legislature of the State of Utah expressing support for the establishment of a fund for the assistance of families of fallen police officers in Utah; to the Committee on the Judiciary.

SENATE CONCURRENT RESOLUTION NO. 1

Whereas, the Utah 1033 Foundation is named for the police radio code for an officer in trouble;

Whereas, this non-profit foundation was established with private donations and is sustained through a combination of continuing

donations, corporate donors, institutional grant funding, and fundraising events;

Whereas, the primary purpose of the 1033 Foundation is to help the families of slain police officers in Utah;

Whereas, the day after the death of a police officer in the line of duty, someone from the Foundation will visit the widow or widower and deliver a $25,000 check;

Whereas, eventually, the Foundation hopes to have an endowment to provide college scholarships for the children of living and deceased Utah police officers;

Whereas, it is also hoped that in the future it will be possible to extend the Foundation's service to include the families of fallen firefighters;

Whereas, the fund began as an idea of Tore and Mona Steen, residents of Park City;

Whereas, a native of Norway, Tore received a scholarship after serving in that nation's air force and moved to the United States to attend college;

Whereas, Tore enjoyed great success in the banking and financial industries, and while living in New York, he was involved in advisory capacities with the departments of police, corrections, and housing;

Whereas, as a result of these experiences, and after being invited to ride with two New York City police officers who were called to a domestic dispute, Tore realized, in a small but very real and personal way, what dangers police officers can face every day;

Whereas, many years later, the husband of Mona's daughter's former college roommate, a Colorado Springs police detective, was slain while trying to apprehend a suspect wanted for attempted murder;

Whereas, these brushes with the tragedy and devastation brought to the families of officers killed in the line of duty drove the Steens to form the 1033 Foundation;

Whereas, their efforts continue with the help of many others, including Wade Carpenter, Park City Police Chief; the Law Firm of Van Cott, Bagley, Cornwall & McCarthy, P.C.; and Zions Bank;

Whereas, the 1033 Foundation has made it easy for individuals and organizations to donate to the fund by going to utah1033.org; and

Whereas, by providing financial and, eventually, scholarship assistance, the 1033 Foundation hopes to provide a means to lift some of the crushing burdens upon the families of Utah's police officers killed in the line of duty: Now, therefore, be it

Resolved, That the Legislature of the state of Utah, the Governor concurring therein, expresses support for the efforts of the 1033 Foundation to assist the families of fallen police officers in Utah in their moments of greatest need; and be it further

Resolved, That the Legislature and the Governor express appreciation to Tore and Mona Steen, who saw a need and became personally invested in serving the families of slain police officers in Utah, and wish them well in their continuing efforts to serve the citizens of Utah; and be it further

Resolved, That the Legislature and the Governor express appreciation to those who have participated in the efforts of the 1033 Foundation and made donations to help those in need; and be it further

Resolved, That a copy of this resolution be sent to Tore and Mona Steen; Park City Police Chief Wade Carpenter; the Law Firm of Van Cott, Bagley, Cornwall & McCarthy; Zions Bank President Scott Anderson; Park City Mayor Dana Williams; Summit County Sheriff Dave Edmunds; KPMG Salt Lake City; Utah Department of Public Safety Director Lance Davenport; Colonel Danny Fuhr of the Utah Highway Patrol; the Utah Chiefs of Police Association; the Utah Sheriffs Association; the Utah Peace Officers Association; the Utah Highway Patrol; Utah Fraternal Order of Police; Howard Wallack; and the members of Utah's congressional delegation.

POM–125. A joint resolution adopted by the Legislature of the State of California calling on the United States Congress to pass the Violence Against Women Act of 2011; to the Committee on the Judiciary.

SENATE JOINT RESOLUTION NO. 20

Whereas, The Violence Against Women Act (VAWA) was developed with the input of advocates from around the country and from all walks of life, and addresses the real and most important needs of victims of domestic violence, sexual assault, dating violence, and stalking. VAWA is responsive, streamlined, and constitutionally and fiscally sound, while providing strong accountability measures and appropriate federal government oversight; and

Whereas, VAWA represents the voices of women and their families, and the voices of victims, survivors, and advocates; and

Whereas, VAWA was first enacted in 1994, and has been the centerpiece of the federal government's efforts to stamp out domestic and sexual violence. Critical programs authorized under VAWA include support for victim services, transitional housing, and legal assistance; and

Whereas, Domestic violence, sexual assault, dating violence, and stalking, once considered private matters to be dealt with behind closed doors, have been brought out of the darkness; and

Whereas, VAWA has been successful because it has had consistently strong, bipartisan support for nearly two decades; and

Whereas, The Violence Against Women Reauthorization Act of 2011 will provide a five-year reauthorization for VAWA programs, and reduce authorized funding levels by more than $144 million, or 19 percent, from the law's 2005 authorization; and

Whereas, While annual rates of domestic violence have dropped more than 50 percent, domestic violence remains a serious issue. Every day in the United States, three women are killed by abusive husbands and partners. In California in 2010, there were 166,361 domestic violence calls, including more than 65,000 that involved a weapon; and

Whereas, The Violence Against Women Reauthorization Act of 2011 includes several updates and improvements to the law, including the following:

(a) An emphasis on the need to effectively respond to sexual assault crime by adding new purpose areas and a 25 percent set-aside in the STOP (Services, Training, Officers, and Prosecutors) Violence Against Women Formula Grant Program (STOP Program) and the Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program.

(b) Improvements in tools to prevent domestic violence homicides by training law enforcement, victim service providers, and court personnel to identify and manage high-risk offenders and connecting high-risk victims to crisis intervention services.

(c) Improvements in responses to the high rate of violence against women in tribal communities by strengthening concurrent tribal criminal jurisdiction over perpetrators who assault Indian spouses and dating partners in Indian countries.

(d) Measures to strengthen housing protections for victims by applying existing housing protections to nine additional federal housing programs.

(e) Measures to promote accountability to ensure that federal funds are used for their intended purposes.

(f) Consolidation of programs and reductions in authorization levels to address fiscal concerns, and renewed focus on programs that have been most successful.

(g) Technical corrections to update definitions throughout the law to provide uniformity and continuity; and

Whereas, There is a need to maintain services for victims and families at the local, state, and federal levels. Reauthorization would allow existing programs to continue uninterrupted, and would provide for the development of new initiatives to address key areas of concern. These initiatives include the following:

(a) Addressing the high rates of domestic violence, dating violence, and sexual assault among women 16 to 24 years of age, inclusive, by combating tolerant youth attitudes toward violence.

(b) Improving the response to sexual assault with best practices, training, and communication tools for law enforcement, as well as health care and legal professionals.

(c) Preventing domestic violence homicides through enhanced training for law enforcement, advocates, and others who interact with those at risk. A growing number, of experts agree that these homicides are predictable, and therefore preventable, if we know the warning signs: Now, therefore, be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the Legislature calls on the United States Congress to pass the Violence Against Women Reauthorization Act of 2011, Senate Bill No. 1925 authored by Senators Leahy and Crapo, and ensure the sustainability of vital programs designed to keep women and families safe from violence and abuse; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, the Majority Leader of the Senate, each Senator and Representative from California in the Congress of the United States, and to the author for appropriate distribution.

POM–126. A concurrent resolution adopted by the Legislature of the State of Louisiana memorializing the United States Congress to take such actions as are necessary to prevent the retirement of A–10 aircraft assigned to the 917th Fighter Group, based at Barksdale Air Force Base; to the Committee on Armed Services.

HOUSE CONCURRENT RESOLUTION NO. 115

Whereas, established in 1932, the Barksdale Air Force Base (AFB), a United States Air Force Base located approximately 4.72 miles east-southeast of Bossier City, Louisiana, is named for World War I aviator and test pilot 2nd Lieutenant Eugene Hoy Barksdale (1896–1926); and

Whereas, Barksdale Air Force Base has proudly served Arkansas, Louisiana, and Texas for more than sixty-seven years and is home to the 2d Bomb Wing, 2d Mission Support Group, 2d Operations Group, 2d Maintenance Group, the 2d Medical Group, 8th Air Force Museum, and the Air Force Reserve's 917th Wing; and

Whereas, in December 1999, the 917th Wing received the Air Force outstanding Unit Award, for winning the Chief of Staff Team Excellence Award and Secretary of Defense Award for Self-Inspection Tracking System. The award noted the unit's sponsorship of the Starbase program, which creates interest for local children in math, science, and technology by using an aviation theme; and

Whereas, Barksdale Air Force Base has grown into a major source of revenue and employment for the region by providing jobs for nearly ten thousand military and civilian employees and in 2006, under Base Realignment and Closure (BRAC), the 917th Wing

gained eight A–10 aircraft and a number of full-time and part-time employment positions; and

Whereas, as part of a wide-ranging plan to reduce its total aircraft inventory, the Obama administration intends to propose in the 2013 budget request, the elimination of twenty-four A–10 aircraft that comprise the Air Force Reserve's 917th Fighter Group at Barksdale Air Force Base; and

Whereas, the Air Force plans to rebalance its overall ratio of regular, reserve, and Air National Guard forces at about sixty installations in thirty-three states and retire two hundred twenty-seven aircraft to support a new defense strategy known as the ''Air Force Strategy and Structure Overview''; and

Whereas, for nearly eighty years the 917th Wing at Barksdale Air Force Base and the Shreveport-Bossier community have enjoyed a strong partnership, which provides jobs to the community and programs for the local children, and the elimination of the A–10 aircraft will have an adverse effect on not only the economy but the community as well. Therefore, be it

Resolved, That the Legislature of Louisiana does hereby memorialize congress to take such actions as are necessary to oppose the elimination of A–10 aircraft assigned to the 917th Fighter Group, based at Barksdale Air Force Base; and be it further

Resolved, That a copy of this Resolution be transmitted to the presiding officers of the Senate and the House of Representatives of the Congress of the United States of America and to each member of the Louisiana congressional delegation.

POM–127. A joint resolution adopted by the Legislature of the State of California urging the United States Congress to immediately enact the Achieving a Better Life Experience Act of 2011; to the Committee on Finance.

SENATE JOINT RESOLUTION NO. 18

Whereas, Many families are searching for a way to plan for the future of a child with developmental disabilities, which are costly to society and to families; and

Whereas, The Achieving a Better Life Experience Act of 2011 (ABLE Act), proposed in H.R. 3423 and S. 1872 and currently debated by Congress, would create disability savings accounts for individuals with developmental or other disabilities and their families, as a way to save for future needs with funds that could accrue interest tax free; and

Whereas, The ABLE Act would give individuals with developmental or other disabilities and their families an option for saving for their future financial needs in a way that supports their unique situation and makes it more feasible to live full and productive lives in their communities; and

Whereas, While many families are currently able to save for the educational needs of children through ''529'' college tuition plans, these plans do not fit the needs of children with developmental or other disabilities; and

Whereas, Many families recognize that loved ones with developmental or other disabilities may live for many decades beyond the ability of the parents or other family members to provide financial assistance and support; and

Whereas, Many families also want to ensure the financial security of family members who have the level of disability required for Medicaid eligibility, but for now, are managing to function without the use of those benefits and state resources; and

Whereas, The ABLE Act would create a savings fund for those with developmental or other disabilities that could be drawn upon for a variety of essential expenses, including medical and dental care, education and employment training and support, assistive technology, housing and transportation, personal support services, and other expenses for life necessities; and

Whereas, Savings accounts opened under the ABLE Act would provide substantial flexibility to meet the specific needs of the individual, with a broad array of allowable expenses and no age limitations so that these funds can be used whenever they are needed; and

Whereas, The flexibility in expenses would also allow families to save with confidence even though they cannot always predict how independent their child will become: Now, therefore, be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the Legislature urges the President and the Congress of the United States to immediately enact the Achieving a Better Life Experience Act of 2011 (ABLE Act); and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the President pro Tempore of the United States Senate, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the author for appropriate distribution.

POM–128. A resolution adopted by the Odessa Chamber of Commerce, Odessa, Texas, in support of retaining top foreign students earning degrees in the fields of science, technology, engineering and mathematics (STEM) from American Universities; to the Committee on the Judiciary.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. LEVIN for the Committee on Armed Services.

*Sean Sullivan, of Connecticut, to be a Member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 2015.

Air Force nomination of Colonel Edward E. Metzgar, to be Brigadier General.

Air Force nomination of Col. Russ A. Walz, to be Brigadier General.

*Air Force nomination of Gen. Mark A. Welsh III, to be General.

Air Force nomination of Brig. Gen. Timothy M. Ray, to be Major General.

Air Force nomination of Lt. Gen. Paul J. Selva, to be General.

Air Force nomination of Maj. Gen. Joseph L. Lengyel, to be Lieutenant General.

Air Force nomination of Brig. Gen. Howard D. Stendahl, to be Major General.

Army nomination of Brig. Gen. Lawrence W. Brock, to be Major General.

Army nomination of Brig. Gen. Reynold N. Hoover, to be Major General.

Army nomination of Maj. Gen. James O. Barclay III, to be Lieutenant General.

Army nomination of Lt. Gen. Donald M. Campbell, Jr., to be Lieutenant General.

*Army nomination of Lt. Gen. Frank J. Grass, to be General.

Army nomination of Maj. Gen. David R. Hogg, to be Lieutenant General.

Army nomination of Brig. Gen. Joyce L. Stevens, to be Major General.

Navy nomination of Vice Adm. Allen G. Myers, to be Vice Admiral.

Navy nominations beginning with Captain John D. Alexander and ending with Captain Ricky L. Williamson, which nominations were received by the Senate and appeared in the Congressional Record on May 8, 2012.

Navy nomination of Vice Adm. John M. Richardson, to be Admiral.

Navy nomination of Rear Adm. David A. Dunaway, to be Vice Admiral.

*Marine Corps nomination of Lt. Gen. John F. Kelly, to be General.

Mr. LEVIN. Mr. President, for the Committee on Armed Services I report favorably the following nomination lists which were printed in the RECORDS on the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Air Force nominations beginning with Jolene A. Ainsworth and ending with David C. Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record on April 23, 2012.

Air Force nominations beginning with Uchenna L. Umeh and ending with Daniel X. Choi, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 2012.

Air Force nominations beginning with Catherine M. Fahling and ending with Le T. Zimmerman, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 2012.

Air Force nominations beginning with Sean J. Hislop and ending with Lucas P. Neff, which nominations were received by the Senate and appeared in the Congressional Record on July 17, 2012.

Army nomination of Karen A. Baldi, to be Colonel.

Army nomination of Christopher W. Soika, to be Colonel.

Army nomination of Luis A. Riveraberrios, to be Colonel.

Army nomination of Kimon A. Nicolaides, to be Colonel.

Army nominations beginning with Penny P. Kalua and ending with Joseph A. Trinidad, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 2012.

Army nominations beginning with Chad S. Abbey and ending with Jared K. Zotz, which nominations were received by the Senate and appeared in the Congressional Record on July 17, 2012.

Army nominations beginning with Jeffrey E. Aycock and ending with Eric W. Young, which nominations were received by the Senate and appeared in the Congressional Record on July 17, 2012.

Army nominations beginning with Brent A. Beckley and ending with Stephen J. Ward, which nominations were received by the Senate and appeared in the Congressional Record on July 17, 2012.

Army nomination of Brian J. Eastridge, to be Colonel.

Navy nominations beginning with Joel A. Ahlgrim and ending with Mark L. Woodbridge, which nominations were received by the Senate and appeared in the Congressional Record on July 11, 2012.

Navy nominations beginning with John E. Bissell and ending with Stephen S. Yune, which nominations were received by the Senate and appeared in the Congressional Record on July 11, 2012.

Navy nominations beginning with Robert L. Anderson II and ending with Carol B. Zwiebach, which nominations were received by the Senate and appeared in the Congressional Record on July 11, 2012.

Navy nominations beginning with Marc S. Brewen and ending with Dustin E. Wallace,

which nominations were received by the Senate and appeared in the Congressional Record on July 11, 2012.

Navy nominations beginning with Lucelina B. Badura and ending with William A. Young, which nominations were received by the Senate and appeared in the Congressional Record on July 11, 2012.

Navy nominations beginning with Jason W. Adams and ending with Shawn M. Triggs, which nominations were received by the Senate and appeared in the Congressional Record on July 11, 2012.

Navy nominations beginning with David L. Cline and ending with David S. Yang, which nominations were received by the Senate and appeared in the Congressional Record on July 11, 2012.

Navy nominations beginning with Emily Z. Allen and ending with Jonathan P. Witham, which nominations were received by the Senate and appeared in the Congressional Record on July 11, 2012.

By Mrs. BOXER for the Committee on Environment and Public Works.

*Major General John Peabody, United States Army, to be a Member and President of the Mississippi River Commission.

*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.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

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 Mrs. SHAHEEN (for herself and Ms. COLLINS):

S. 3430. A bill to amend the Public Health Service Act to foster more effective implementation and coordination of clinical care for people with pre-diabetes and diabetes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. WHITEHOUSE (for himself and Mr. HATCH):

S. 3431. A bill to amend the Controlled Substances Act to more effectively regulate anabolic steroids; to the Committee on the Judiciary.

By Mr. NELSON of Florida (for himself and Mr. COBURN):

S. 3432. A bill to prevent identity theft and tax fraud; to the Committee on Finance.

By Ms. SNOWE (for herself and Mr. WARNER):

S. 3433. A bill to require a radio spectrum inventory of bands managed by the Federal Communications Commission and the National Telecommunications & Information Administration; to the Committee on Commerce, Science, and Transportation.

By Mr. PORTMAN (for himself, Mr. TESTER, Mr. BOOZMAN, Mr. COATS, Mr. BARRASSO, Mr. LEE, Mr. MCCAIN, Mr. ENZI, Mr. HOEVEN, Mr. CORNYN, Mr. COBURN, Mr. WICKER, Mr. RISCH, Mr. BURR, Mr. CRAPO, Mr. ISAKSON, Mr. GRASSLEY, Mr. HATCH, Mrs. HUTCHISON, Mr. JOHNSON of Wisconsin, Mr. MCCONNELL, and Mr. TOOMEY):

S. 3434. A bill to amend title 31, United States Code, to provide for automatic continuing resolutions; to the Committee on Appropriations.

By Mrs. GILLIBRAND:

S. 3435. A bill to designate the facility of the United States Postal Service located at 26 East Genesee Street in Baldwinsville, New York, as the ''Corporal Kyle Schneider Post Office Building''; to the Committee on Homeland Security and Governmental Affairs.

By Mr. FRANKEN (for himself, Mrs. MURRAY, and Mr. SANDERS):

S. 3436. A bill to amend the Child Care and Development Block Grant Act of 1990 to improve the quality of infant and toddler care; to the Committee on Health, Education, Labor, and Pensions.

By Mr. CASEY:

S. 3437. A bill to amend the Natural Gas Act to provide assistance to States to carry out initiatives to promote the use of natural gas as a transportation fuel and public and private investment in natural gas vehicles and transportation infrastructure; to the Committee on Energy and Natural Resources.

By Ms. MURKOWSKI (for herself, Mr. HOEVEN, Mr. WEBB, Ms. LANDRIEU, Mr. INHOFE, Mr. WARNER, Mr. BARRASSO, and Mr. BEGICH):

S. 3438. A bill to require the Secretary of the Interior to implement the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program: 2012–2017 and conduct additional oil and gas lease sales to promote offshore energy development in the United States for a more secure energy future, and for other purposes; to the Committee on Energy and Natural Resources.

By Ms. SNOWE (for herself and Mr. WARNER):

S. 3439. A bill to amend title 40, United States Code, to direct the Administrator of General Services to install Wi-Fi hotspots and wireless neutral host systems in all Federal buildings in order to improve in-building wireless communications coverage and commercial network capacity by offloading wireless traffic onto wireline broadband networks; to the Committee on Environment and Public Works.

By Mrs. MCCASKILL (for herself, Mr. PRYOR, and Mr. TESTER):

S. 3440. A bill to extend estate and gift tax rules for 1 year; to the Committee on Finance.

By Mr. MCCAIN (for himself, Mr. NELSON of Florida, and Mrs. FEINSTEIN):

S. 3441. A bill to provide for the transfer of excess Department of Defense aircraft to the Forest Service for wildfire suppression activities, and for other purposes; to the Committee on Armed Services.

By Ms. LANDRIEU:

S. 3442. A bill to provide tax incentives for small businesses, improve programs of the Small Business Administration, and for other purposes; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself, Mr. HARKIN, Mrs. MURRAY, and Mr. MANCHIN):

S. 3443. A bill to improve compliance with mine and occupational safety and health laws, empower workers to raise safety concerns, prevent future mine and other workplace tragedies, and establish rights of families of victims of workplace accidents, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HATCH (for himself and Mr. CORNYN):

S. Con. Res. 54. A concurrent resolution stating that it is the policy of the United States to oppose the sale, shipment, performance of maintenance, refurbishment, modification, repair, and upgrade of any military equipment from or by the Russian Federation to or for the Syrian Arab Republic; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 202

At the request of Mr. PAUL, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 202, a bill to require a full audit of the Board of Governors of the Federal Reserve System and the Federal reserve banks by the Comptroller General of the United States before the end of 2012, and for other purposes.

S. 752

At the request of Mrs. FEINSTEIN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 752, a bill to establish a comprehensive interagency response to reduce lung cancer mortality in a timely manner.

S. 847

At the request of Mr. LAUTENBERG, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from New Mexico (Mr. UDALL) were added as cosponsors of S. 847, a bill to amend the Toxic Substances Control Act to ensure that risks from chemicals are adequately understood and managed, and for other purposes.

S. 881

At the request of Ms. LANDRIEU, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 881, a bill to amend the Consumer Credit Protection Act to assure meaningful disclosures of the terms of rental-purchase agreements, including disclosures of all costs to consumers under such agreements, to provide substantive rights to consumers under such agreements, and for other purposes.

S. 1215

At the request of Mr. KERRY, the name of the Senator from Massachusetts (Mr. BROWN) was added as a cosponsor of S. 1215, a bill to provide for the exchange of land located in the Lowell National Historical Park, and for other purposes.

S. 1258

At the request of Mr. MENENDEZ, the name of the Senator from Connecticut (Mr. BLUMENTHAL) was added as a cosponsor of S. 1258, a bill to provide for comprehensive immigration reform, and for other purposes.

S. 1299

At the request of Mr. MORAN, the names of the Senator from Texas (Mr. CORNYN), the Senator from Washington (Mrs. MURRAY), the Senator from Colorado (Mr. UDALL), the Senator from Florida (Mr. RUBIO), the Senator from Delaware (Mr. CARPER) and the Senator from Alabama (Mr. SHELBY) were added as cosponsors of S. 1299, a bill to require the Secretary of the Treasury to

mint coins in commemoration of the centennial of the establishment of Lions Clubs International.

S. 1685

At the request of Mr. WEBB, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1685, a bill to amend the Internal Revenue Code of 1986 to allow rehabilitation expenditures for public school buildings to qualify for rehabilitation credit.

S. 1728

At the request of Mr. BROWN of Massachusetts, the names of the Senator from Georgia (Mr. CHAMBLISS) and the Senator from Indiana (Mr. COATS) were added as cosponsors of S. 1728, a bill to amend title 18, United States Code, to establish a criminal offense relating to fraudulent claims about military service.

S. 1872

At the request of Mr. CASEY, the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Texas (Mrs. HUTCHISON) and the Senator from Ohio (Mr. BROWN) were added as cosponsors of S. 1872, a bill to amend the Internal Revenue Code of 1986 to provide for the tax treatment of ABLE accounts established under State programs for the care of family members with disabilities, and for other purposes.

S. 1884

At the request of Mr. DURBIN, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1884, a bill to provide States with incentives to require elementary schools and secondary schools to maintain, and permit school personnel to administer, epinephrine at schools.

S. 1935

At the request of Mr. REID, his name was added as a cosponsor of S. 1935, a bill to require the Secretary of the Treasury to mint coins in recognition and celebration of the 75th anniversary of the establishment of the March of Dimes Foundation.

At the request of Mrs. HAGAN, the names of the Senator from Michigan (Ms. STABENOW) and the Senator from Maryland (Mr. CARDIN) were added as cosponsors of S. 1935, supra.

S. 2172

At the request of Ms. SNOWE, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 2172, a bill to remove the limit on the anticipated award price for contracts awarded under the procurement program for women-owned small business concerns, and for other purposes.

S. 2205

At the request of Mr. MORAN, the name of the Senator from South Carolina (Mr. DEMINT) was added as a cosponsor of S. 2205, a bill to prohibit funding to negotiate a United Nations Arms Trade Treaty that restricts the Second Amendment rights of United States citizens.

S. 2215

At the request of Mr. DURBIN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2215, a bill to create jobs in the United States by increasing United States exports to Africa by at least 200 percent in real dollar value within 10 years, and for other purposes.

S. 2297

At the request of Mr. MANCHIN, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from West Virginia (Mr. ROCKEFELLER) were added as cosponsors of S. 2297, a bill to amend the Controlled Substances Act to make any substance containing hydrocodone a schedule II drug.

S. 2342

At the request of Mr. TESTER, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 2342, a bill to reform the National Association of Registered Agents and Brokers, and for other purposes.

S. 2347

At the request of Mr. CARDIN, the names of the Senator from Georgia (Mr. CHAMBLISS) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of S. 2347, a bill to amend title XVIII of the Social Security Act to ensure the continued access of Medicare beneficiaries to diagnostic imaging services.

S. 2374

At the request of Mr. BINGAMAN, the name of the Senator from Massachusetts (Mr. BROWN) was added as a cosponsor of S. 2374, a bill to amend the Helium Act to ensure the expedient and responsible draw-down of the Federal Helium Reserve in a manner that protects the interests of private industry, the scientific, medical, and industrial communities, commercial users, and Federal agencies, and for other purposes.

S. 3204

At the request of Mr. JOHANNS, the names of the Senator from Kentucky (Mr. MCCONNELL), the Senator from Alaska (Ms. MURKOWSKI), the Senator from Iowa (Mr. GRASSLEY), the Senator from Louisiana (Mr. VITTER), the Senator from Utah (Mr. HATCH), the Senator from Wisconsin (Mr. JOHNSON), the Senator from Oklahoma (Mr. COBURN), the Senator from Alabama (Mr. SESSIONS), the Senator from Indiana (Mr. COATS), the Senator from Kentucky (Mr. PAUL), the Senator from South Carolina (Mr. DEMINT), the Senator from Kansas (Mr. ROBERTS) and the Senator from Arizona (Mr. MCCAIN) were added as cosponsors of S. 3204, a bill to address fee disclosure requirements under the Electronic Fund Transfer Act, and for other purposes.

S. 3244

At the request of Mr. FRANKEN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 3244, a bill to amend the Higher Education Opportunity Act to add disclosure requirements to the institution financial aid offer form and to amend the Higher Education Act of 1965 to make such form mandatory.

S. 3313

At the request of Mrs. MURRAY, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 3313, a bill to amend title 38, United States Code, to improve the assistance provided by the Department of Veterans Affairs to women veterans, to improve health care furnished by the Department, and for other purposes.

S. 3381

At the request of Mr. DURBIN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 3381, a bill to amend title 11, United States Code, to improve protections for employees and retirees in business bankruptcies.

S. 3394

At the request of Mr. JOHNSON of South Dakota, the name of the Senator from Florida (Mr. RUBIO) was added as a cosponsor of S. 3394, a bill to address fee disclosure requirements under the Electronic Fund Transfer Act, to amend the Federal Deposit Insurance Act with respect to information provided to the Bureau of Consumer Financial Protection, and for other purposes.

S. 3395

At the request of Mr. MERKLEY, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 3395, a bill to amend the Federal Crop Insurance Act to extend certain supplemental agricultural disaster assistance programs.

S. 3397

At the request of Mr. HATCH, the names of the Senator from Georgia (Mr. ISAKSON) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 3397, a bill to prohibit waivers relating to compliance with the work requirements for the program of block grants to States for temporary assistance for needy families, and for other purposes.

S. 3409

At the request of Mr. LEE, the name of the Senator from Wyoming (Mr. BARRASSO) was added as a cosponsor of S. 3409, a bill to address the forest health, public safety, and wildlife habitat threat presented by the risk of wildfire, including catastrophic wildfire, on National Forest System land and public land managed by the Bureau of Land Management by requiring the Secretary of Agriculture and the Secretary of the Interior to expedite forest management projects relating to hazardous fuels reduction, forest health, and economic development, and for other purposes.

S. 3428

At the request of Mr. CARDIN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 3428, a bill to amend the Clean Air Act to partially waive the renewable fuel standard when corn inventories are low.

S. 3429

At the request of Mr. NELSON of Florida, the name of the Senator from New

York (Mr. SCHUMER) was added as a cosponsor of S. 3429, a bill to require the Secretary of Veterans Affairs to establish a veterans jobs corps, and for other purposes.

S. CON. RES. 50

At the request of Mr. RUBIO, the names of the Senator from Kansas (Mr. MORAN), the Senator from New Hampshire (Mrs. SHAHEEN) and the Senator from South Dakota (Mr. THUNE) were added as cosponsors of S. Con. Res. 50, a concurrent resolution expressing the sense of Congress regarding actions to preserve and advance the multistakeholder governance model under which the Internet has thrived.

S. RES. 525

At the request of Mr. NELSON of Florida, the names of the Senator from Connecticut (Mr. LIEBERMAN) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. Res. 525, a resolution honoring the life and legacy of Oswaldo Paya Sardinas.

AMENDMENT NO. 2569

At the request of Mrs. HUTCHISON, the names of the Senator from Tennessee (Mr. ALEXANDER) and the Senator from Wyoming (Mr. ENZI) were added as cosponsors of amendment No. 2569 intended to be proposed to S. 3412, a bill to amend the Internal Revenue Code of 1986 to provide tax relief to middle-class families.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WHITEHOUSE (for himself and Mr. HATCH):

S. 3431. A bill to amend the Controlled Substances Act to more effectively regulate anabolic steroids; to the Committee on the Judiciary.

Mr. WHITEHOUSE. Mr. President, today I am pleased to join Senator HATCH in introducing the bipartisan Designer Anabolic Steroid Control Act of 2012. This measure will help keep American children and families safe from dangerous designer drugs that masquerade as healthy dietary supplements. This legislation is based on Senator Specter's work in the previous Congress, and I thank him for his leadership on this issue.

Doctors and scientists have long recognized the health hazards of non-medical use of anabolic steroids. For that reason, Congress has previously acted to ensure that these drugs are listed as controlled substances. Nonetheless, according to investigative reporting and Congressional testimony, a loophole in current law allows for designer anabolic steroids to easily be found on the Internet, in gyms, and even in retail stores.

Designer steroids are produced by reverse engineering existing illegal steroids and then slightly modifying the chemical composition, so that the resulting product is not on the Drug Enforcement Administration's, DEA, list of controlled substances. When taken by consumers, designer steroids can cause serious medical consequences, including liver injury and increased risk of heart attack and stroke. They may also lead to psychological effects such as aggression, hostility, and addiction.

These designer products can be even more dangerous than traditional steroids because they are often untested, produced from overseas raw materials, and manufactured without quality controls. As one witness testified at a Crime Subcommittee hearing in the last Congress, ''all it takes to cash in on the storefront steroid craze is a credit card to import raw products from China or India where most of the raw ingredients come from, the ability to pour powders into a bottle or pill and a printer to create shiny, glossy labels.''

The unscrupulous actors responsible for manufacturing and selling these products often market them with misleading and inaccurate labels. That can cause consumers who are looking for a healthy supplement—not just elite athletes, but also high school students, law enforcement personnel, and mainstream Americans—to be deceived into taking these dangerous products.

Loopholes in existing law allow these dangerous designer steroids to evade regulation. Under current law, in order to classify new substances as steroids, the DEA must complete a burdensome and time-consuming series of chemical and pharmacological testing. As a DEA official testified before Congress: ''in the time that it takes DEA to administratively schedule an anabolic steroid used in a dietary supplement product, several new products can enter the market to take the place of those products.''

The Designer Anabolic Steroid Control Act of 2012 would quickly protect consumers from these dangerous products. First, it would immediately place 27 known designer anabolic steroids on the list of controlled substances. Second, it would grant the DEA authority to temporarily schedule new designer steroids on the controlled substances list, so that if bad actors develop new variations, these products can be removed from the market. Third, it would create new penalties for importing, manufacturing, or distributing anabolic steroid's under false labels.

Senator HATCH and I have worked closely with a range of consumer and industry organizations to ensure that this legislation would not interfere with consumers' access to legitimate dietary supplements. I am pleased that the measure has been endorsed by the United States Anti-Doping Agency, the Alliance for Natural Health, the Council for Responsible Nutrition, the American Herbal Products Association, the Natural Products Association, the Consumer Health Products Association, and the United Natural Products Alliance.

I thank these organizations for their support, and look forward to working with them, with Senator HATCH, and with colleagues from both sides of the aisle to enact this common sense measure into law.

Mr. President, I ask unanimous consent that letters of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

AMERICAN HERBAL PRODUCTS ASSOCIATION,
Silver Spring, MD, July 23, 2012.

Hon. ORRIN HATCH,
U.S. Senate,
Washington, DC.
Hon. SHELDON WHITEHOUSE,
U.S. Senate,
Washington, DC.

DEAR SENATORS HATCH AND WHITEHOUSE, This letter is to communicate to you the support of the American Herbal Products Association (AHPA) for your pending legislation, the Designer Anabolic Steroid Control Act of 2012. AHPA recognizes the need to more effectively regulate anabolic steroids, as this bill's amendment of the Controlled Substances Act would do. The expanded controls on these substances that would be implemented by your legislation would protect consumers by better ensuring that these are not misrepresented as legitimate dietary supplements, when clearly they are not.

Please do not hesitate to contact me if there is anything that AHPA and its members can do to assist in the passage of this important legislation.

Sincerely,

MICHAEL MCGUFFIN,
President.

NATURAL PRODUCTS ASSOCIATION,
Washington, DC, July 23, 2012.

Hon. ORRIN HATCH,
U.S. Senate,
Washington, DC.

SENATOR HATCH, I write today on behalf of the Natural Products Association (NPA) to thank you for introducing the Designer Anabolic Steroid Control Act of 2012 (DASCA). As the leading representative of the dietary supplement industry with over 1,900 members, including suppliers and retailers of vitamins and other dietary supplements, NPA works to ensure that consumers have access to safe dietary supplements. We believe that this bill will make the marketplace safer.

Our support for this legislation demonstrates NPA's commitment to removing anabolic steroids, which are not dietary ingredients, from the market. NPA has worked in conjunction with the FDA to bring attention to spiked products masquerading as dietary supplements. This bill helps protect consumers who believe they are purchasing ''legal'' supplements but may suffer health effects from steroid use.

Even with the passage of the Anabolic Steroid Control Act of 2004, the Drug Enforcement Administration (DEA) has removed very few substances. The DEA has to follow a strict set of testing standards to schedule a substance and remove it from the market. This process can take up to three years to complete; but while this process is taking place, the products remain on the market. This bill gives the DEA the power to temporarily remove products from the market while testing is completed, giving them the ability to stay ahead of the individuals who are creating these designer drugs.

Thank you for introducing this important legislation and your tireless work on behalf of the dietary supplement industry.

Regards,

JOHN SHAW,
NPA Executive Director and CEO.

COUNCIL FOR RESPONSIBLE NUTRITION,
July 20, 2012.

Re Designer Anabolic Steroid Control Act (DASCA).

Hon. ORRIN HATCH,
U.S. Senate,
Washington, DC.
Hon. SHELDON WHITEHOUSE,
U.S. Senate,
Washington, DC.

DEAR SENATORS HATCH AND WHITEHOUSE: On behalf of the Council for Responsible Nutrition (CRN)[1] and its members, I am writing to express our support for the Designer Anabolic Steroid Control Act (DASCA). We want to thank you both for your commitment to providing the Drug Enforcement Administration (DEA) with new authority to place designer anabolic steroids on the Controlled Substance Schedules more expeditiously and providing that agency with new tools to quickly respond when new anabolic substances are introduced. This legislation will provide DEA with new enforcement tools to prosecute irresponsible and disreputable companies that develop and market anabolic steroids as products labeled as dietary supplements. Your efforts in this regard are laudable, and CRN stands in support of your legislation.

Misbranded products that contain designer anabolic steroids present serious health risks to consumers, particularly young men who are unaware of the dangers of anabolic steroid use. Maintaining the trust of consumers in the safety and benefit of dietary supplements is essential to preserving a vibrant market for legitimate dietary supplements. Currently, unscrupulous companies can design these illicit substances and illegally introduce them into the dietary supplement marketplace before DEA can demonstrate their anabolic effects and declare them controlled substances under the present law. We believe DASCA's provisions will go a long way to help DEA more quickly identify and restrict new designer anabolic steroids by declaring them to be ''controlled substances.'' It will allow DEA to target substances whose chemical structures mimic other anabolic steroids and whose manufacturers and marketers promote their anabolic or muscle-building effects. This legislation will assuage concerns of Americans who use sports supplements, and foster an even greater working relationship between FDA, DEA and responsible, mainstream industry. DASCA is strong step forward, adding teeth to prevention and enforcement efforts in the battle against steroid abuse.

CRN understands that you intend to request this legislation be referred to the Senate Judiciary Committee, whose jurisdiction traditionally handles DEA and controlled substance issues. We hope the committee will give the legislation expedient and thoughtful consideration on its way to passage by the full Senate, and are eager to work with your office to ensure that the Judiciary Committee understands the concerns of industry and consumers that have led to this bill. CRN stands ready to work with you and all of Congress to deliver a strong bill to the President.

Please don't hesitate to contact me or Mike Greene on my staff at 202–204–7690 or mgreene@crnusa.org if CRN may be of any assistance in your endeavors.

Best regards,

STEVE MISTER,
President and CEO.

UNITED NATURAL PRODUCTS ALLIANCE,
Salt Lake city, UT, July 23, 2012.

Hon. SHELDON WHITEHOUSE,
Hon. ORRIN HATCH,
U.S. Senate,
Washington, DC.

DEAR SENATORS WHITEHOUSE AND HATCH: Thank you for your considerable efforts to draft the ''Designer Anabolic Steroid Control Act of 2012'' and to close loopholes that might allow continued sale of anabolic steroids, steroid lookalikes or steroid precursors—all of which are a significant threat to public health. We greatly commend your work.

The United Natural Products Alliance has appreciated the opportunity to work with you in developing this bill. As you know, sale of the products it would address are a significant concern to our members who believe, quite simply, these products should be outlawed.

We have reviewed your most recent legislation and wanted to advise you we are completely in support of the goals of this legislation. We do have minor drafting concerns, which have been shared with your staff, and we appreciate their commitment to address these issues as the legislation moves forward.

Thank you again for your work on this important issue.

Kind regards,

LOREN ISRAELSEN,
Executive Director.

CONSUMERS HEALTHCARE PRODUCTS ASSOCIATION,
Washington, DC, July 23, 2012.

Hon. SHELDON WHITEHOUSE,
Senate Committee on the Judiciary,
Washington, DC.
Hon. ORRIN HATCH,
Senate Committee on the Judiciary,
Washington, DC.

DEAR SENATORS WHITEHOUSE AND HATCH: On behalf of the more than 200 members of the Consumer Healthcare Products Association, the 131-year-old trade association representing the leading U.S. manufacturers and distributors of over-the-counter (OTC) medicines and dietary supplements, thank you for sponsoring the Designer Anabolic Steroid Control Act (DASCA).

This important legislation would designate additional chemicals as anabolic steroids, and increase the penalties for violators of anabolic steroid labeling laws, specifically those rogue supplement manufacturers that ''spike'' their products with anabolic steroids and attempt to pass them off as dietary supplements. We applaud introduction of this legislation to further protect the public health of our citizens, and pledge to work closely with you and your staff to advance this bill.

Please do not hesitate to call on us if you need any assistance, and thank you, again, for your leadership on this important issue.

Sincerely,

SCOTT M. MELVILLE,
President and CEO.

ALLIANCE FOR NATURAL HEALTH USA,
Washington, DC, July 23, 2012.

Hon. ORRIN HATCH,
United States Senate,
Washington, DC.

DEAR SENATOR HATCH: The Alliance for Natural Health USA strongly supports the Designer Anabolic Steroid Control Act (DASCA) of 2012. Not only are anabolic steroids masquerading as nutritional supplements illegal, they also risk the health of those who use them, and tarnish the reputation of the dietary supplement industry. The harm from these steroid-tainted supplements is real. Health risks include serious liver injury, stroke, kidney failure, and pulmonary embolism.

It is clear that the complex and cumbersome regulatory system has failed to stop designer anabolic steroids. We understand that your bill closes the loopholes in laws that currently allow the creation and easy distribution of anabolic steroids masquerading as dietary supplements.

We are thankful for the opportunity to discuss the bill with your staff, and support its passage.

Sincerely,

GRETCHEN DUBEAU,
Executive and Legal Director.

UNITED STATES ANTI-DOPING AGENCY,
Colorado Springs, CO, July 23, 2012.

Senator ORRIN G. HATCH,
Hart Senate Office Building,
Washington, DC.
Senator SHELDON WHITEHOUSE,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR HATCH AND SENATOR WHITEHOUSE: On behalf of the United States Anti-Doping Agency (''USADA''), I am writing to express our full support for the Designer Anabolic Control Steroid Act of 2012. As the Congressionally recognized independent anti-doping agency for the U.S. Olympic, Paralympic and Pan American movement, USADA represents literally millions of participants including athletes, coaches and sports organizers who want to ensure sport in this country continues to be a teacher of life lessons for participants at all ages, is safe and drug free and that clean athletes can compete and win without having to resort to using dangerous performance enhancing drugs.

As we have seen over the last few years the current law regulating dietary supplements has been exploited by rogue manufacturers who have produced and sold products masquerading as otherwise safe and legitimate dietary supplements that are not but are in fact illegal products containing steroids and other prohibited performance enhancing drugs. This legislation is important to USADA and our mission in order to close this loophole and ensure these fly-by-night operations cannot easily and without risk continue to produce these products.

We greatly appreciate your efforts in drafting and introducing the Designer Anabolic Steroid Control Act of 2012 and look forward to assisting you in any way possible to achieve its passage into law at the earliest opportunity.

Sincerely,

TRAVIS T. TYGART,
Chief Executive Officer.

Mr. HATCH. Mr. President, I am pleased to cosponsor the Designer Anabolic Steroid Control Act of 2012, DASCA, introduced by Senator WHITEHOUSE. The use of anabolic steroids or dietary supplements that contain designer steroids may trigger numerous adverse health effects, and thus Congress has passed legislation over the years to address these chemicals.

The Drug Enforcement Agency, DEA, continues to investigate and uncover dietary supplement products that contain either controlled anabolic steroids or designer steroids that are structurally similar to testosterone. In the tin that it takes the DEA to administratively schedule an anabolic steroid used in a dietary supplement product, several new products can enter the market to take its place. Certain individuals have taken advantage of this

lengthy DEA administrative process by continuing to create and market new derivative products by substituting and altering the testosterone molecule and then marketing them as ''dietary supplements.'' Very often, these new formulations have not been adequately tested.

I worked in the previous Congress on legislation to address this issue and continued that work with Senator WHITEHOUSE to develop a bill that would amend the Controlled Substances Act to expand the list of substances defined as anabolic steroids, and authorize the Attorney General to issue a temporary order adding a drug or substance to the list of anabolic steroids. The bill would also create new criminal and civil penalties for importing, manufacturing, or selling any product containing an anabolic steroid unless it bears a label clearly identifying the chemicals contained in the product.

This bill is supported by American Herbal Products Association, AHPA, Natural Products Association, NPA, Council for Responsible Nutrition, CRN, United Natural Products Alliance, UNPA, Consumer Healthcare Products Association, CHPA, Alliance for Natural Health, ANH, and the U.S. Anti-Doping Agency, USADA.

By Ms. SNOWE (for herself and Mr. WARNER):

S. 3433. A bill to require a radio spectrum inventory of bands managed by the Federal Communications Commission and the National Telecommunications & Information Administration; to the Committee on Commerce, Science, and Transportation.

Ms. SNOWE. Mr. President, I rise today, along with Senator WARNER, to reintroduce the Radio Spectrum Inventory Act. Simply put, in order to make more spectrum available to meet the growing demand for wireless broadband and other radio-based services, decision makers at the FCC, NTIA, and Congress must have a clear, detailed, up-to-date understanding of how spectrum is currently being used and by whom—data essential to sound policy decisions.

Specifically, the Radio Spectrum Inventory Act directs the National Telecommunications and Information Administration, NTIA, the Federal Communications Commission, FCC, with assistance from the Office of Science and Technology, to create a comprehensive and accurate inventory of each spectrum band, at a minimum, between 300 Megahertz to 6.5 Gigahertz. The information collected would include the licenses assigned in that band, number and type of end-user devices deployed, amount of deployed infrastructure, type of missions and activities supported in the band, as well as any relevant unlicensed end user devices operating in the band. This information is fundamental to constructing a comprehensive framework for spectrum policy.

The Radio Spectrum Inventory Act also provides more transparency related to spectrum use by creating a centralized website or portal that would include relevant spectrum and license information accessible by the public. Given that radio spectrum is a public good, we are obligated to provide the public more clarity and accountability on how it is being utilized by both Federal and non-Federal licensees. But let me be clear, given the sensitive nature of some spectrum assignments and allocations, this bill makes the appropriate disclosure exceptions for spectrum utilized or reserved for national security and public safety activities.

A comprehensive inventory is a critical step in reforming our spectrum policy and management. The FCC manages over 2 million active licenses and NTIA administers more than 450,000 frequency assignments. And while I appreciate the FCC's effort in conducting a ''baseline'' inventory and NTIA's evaluation—both the fast track and ten year plan—I do not believe they are sufficient substitutes to conducting a full inventory since those efforts were limited in scope and seemingly didn't capture or make available more detailed data on spectrum use.

In addition, there has been a growing call for a comprehensive spectrum inventory from Members of Congress, former FCC officials, and industry—even the House Energy & Commerce Committee bipartisan Federal Spectrum Working Group requested what amounts to a complete inventory of Federal frequency assignments between 300 MHz and 3 GHz. But if we are to examine Federal use, we must also look at non-Federal use in order to gain a truly comprehensive picture and understanding of the heterogeneous spectrum ecosystem.

The ultimate goals this legislation sets the path towards achieving are to implement more efficient use of spectrum and to locate additional spectrum to meet the future demands of all spectrum users—commercial, Federal, and military. A comprehensive inventory would yield a significant amount more of data that would be extremely useful for conducting measurements, implementing more robust management, and developing greater strategic planning of spectrum resources.

With the enactment of P.L. 112–96 earlier this year, Congress took a notable but incremental step in an effort to free up additional spectrum to meet the growing demand of wireless broadband. As I have stated before, I believe more can and must be done to meet the future needs of all spectrum users and properly address existing spectrum challenges. This includes a comprehensive spectrum inventory, more strategic and longterm planning of spectrum resources, and greater collaboration between the FCC and NTIA. In addition, we must also continually promote more investment in infrastructure and foster greater technical innovation. That is why I sincerely hope that my colleagues join Senator WARNER and me in supporting this critical legislation and continuing our focus on implementing spectrum reform.

By Ms. SNOWE (for herself and Mr. WARNER):

S. 3439. A bill to amend title 40, United States Code, to direct the Administrator of General Services to install Wi-Fi hotspots and wireless neutral host systems in all Federal buildings in order to improve in-building wireless communications coverage and commercial network capacity by offloading wireless traffic onto wireline broadband networks; to the Committee on Environment and Public Works.

Ms. SNOWE. Mr. President, I rise today, along with Senator WARNER, to reintroduce pro-consumer wireless legislation, which will improve wireless coverage indoors. Specifically, the Federal Wi-Net Act would require the installation of small wireless base stations, such as femtocells or similar technologies, and Wi-Fi hot-spots in all publicly accessible Federal buildings to improve wireless coverage and network capacity.

Over the past several years, there has been growing concern about a looming spectrum crisis given the significant growth in the wireless industry. Currently, there are more than 331 million wireless subscribers in the U.S., and American consumers used more than 2.3 trillion minutes in 2010—that is more than 6.4 billion minutes per day. And while the foundation for wireless services has been voice communication, more subscribers are utilizing it for broadband. According to Cisco, global mobile data traffic grew 159 percent in 2010, nearly tripling for the third year in a row. That growth is only expected to continue—there is expected to be over seven billion mobile devices globally by 2015 producing more than six exabytes per month. To put it in context, all the words ever spoken by human beings would equate to five exabytes worth of data.

To meet this growing demand, a multi-faceted solution is required that includes fostering technological advancement and more robust spectrum management. Technologies, such as femtocells, distributed antenna system, DAS, and Wi-Fi hotspots, will help alleviate growing wireless demand by offloading that traffic onto wireline broadband networks. The Chairman of the Federal Communications Commission recently announced plans to open a proceeding on utilizing small cells in the 3.5 GHz band. And a recent spectrum report by the President's Council of Advisors on Science and Technology, PCAST, highlighted how reducing cell sizes of wireless networks to femtocell or Wi-Fi ranges could provide 400 times as much aggregate network capacity than current macro cells network topologies.

To that point, the need is there—approximately 40 percent of cell phone

calls are made indoors and more than 26 percent of U.S. households have ''cut-the-cord,'' relying solely on cell phones to make voice calls. On the data side, Cisco's Virtual Network Index reports approximately 60 percent of mobile Internet use is done inside—either at home or at work. Consumers are also utilizing Wi-Fi more frequently—more than 80 percent of smartphone users prefer Wi-Fi connections over cellular for mobile data usage, and approximately 75 percent of tablet users use Wi-Fi connections only. In addition, several new tablets, such as the Microsoft Surface, Google Nexus 7, and Samsung Galaxy Tab, were introduced as Wi-Fi only versions.

As the FCC's National Broadband Plan highlights, most smartphones sold today have Wi-Fi capabilities to take advantage of the growing ubiquity of Wi-Fi routers and devices. According to a May 2011 report from comScore, approximately 48 percent of all iPhone traffic was transported over Wi-Fi/LAN networks. So installing more mini-base stations, such as femtocells, DAS, and Wi-Fi hotspots will improve indoor coverage and wireless network capacity. It will also increase battery life of phones and tablets since the indoor signal will be stronger so devices will use less power.

The increasing importance of wireless communications and broadband has a direct correlation to our nation's competitiveness, economy, and national security and therefore demands we make the appropriate changes to current spectrum policy and management to avert a spectrum crisis and continue to realize the boundless benefits of spectrum-based services. Congress has taken some steps but more must be done. That is why I sincerely hope that my colleagues join Senator WARNER and me in supporting this important legislation.

By Ms. LANDRIEU:

S. 3442. A bill to provide tax incentives for small businesses, improve programs of the Small Business Administration, and for other purposes; to the Committee on Finance.

Ms. LANDRIEU. Mr. President, I come to the floor today to discuss the importance of small businesses in the United States. It cannot be stated enough that small businesses are the economic engines of our country. Small businesses also represent the essence of the American Dream. They are creators of new jobs and innovative technologies. In fact, over the last 15 years, businesses employing less than 500 people have created 93 percent of all new jobs and employed 58.6 million workers. Businesses employing less than 20 people alone employed 21.3 million workers. In my home state of Louisiana, small businesses make up about 98 percent of businesses. As Chair of the Senate Committee on Small Business and Entrepreneurship, I remain focused on the needs of these small businesses. That is why I am here today to introduce a bill that I believe will help spur job creation among small businesses.

As you know, right now our country is still mired in an historic economic downturn. This economic downturn is disproportionately affecting small businesses and, in turn, stifling opportunities for them to generate economic growth for the country. Sadly, since November 2008 80 percent of the job losses have come from small businesses. 2.16 million jobs were lost in the private sector from July to February 2008—nearly half from businesses with less than 50 employees. While corporate layoffs get the headlines, small business layoffs increase the breadlines. Ten jobs lost here and five jobs there add up. These are the job losses that hurt our economy, our communities and our families.

With this in mind, I was proud to lead Congressional efforts to enact the Small Business Jobs Act of 2010, Public Law 111–240. President Obama signed this legislation into law on September 27, 2010. This legislation focused on the three ''C's'' important to small businesses: Capital, Contracting, and Counseling. 332 community banks in 47 states have received $4.01 billion in funding from the Small Business Lending Fund in the bill, which is $9.3 billion in leverage potential for small businesses. Furthermore, a total of 54 states/territories applied for funding through the Small Business State Credit Initiative Program to support State-run small business lending programs. Approximately, $1.3 billion for 47 states and territories has been approved. Lastly, $30 million of Round 1 of State Trade and Export, STEP, export grant funding was awarded in the Fall 2011 to 52 states and territories to promote small business exports. To date, the Small Business Jobs Act has provided an important boost to small businesses looking to get credit or open new markets overseas.

Given the importance of small businesses to our economy, I believe that there is no better time than now for Congress to build off the success of the Small Business Jobs Act. But the key question is how to best assist our country's 28 million small businesses? This is complicated because Federal law defines a small business as ''those having 500 employees or less.'' They may all fit under the same broad category of small business, but they are not all the same. So it makes no sense for the Federal government or Congress to have a ''one size fits all'' policy for helping them grow. We must put a special focus on maximizing strategies to help those small firms that have the capacity to grow in the near term.

The approach I have taken is to focus on the entrepreneurial ecosystems in our communities. This is because an ecosystem is defined as ''a system formed by the interaction of a community of organisms with their environment.'' I am particularly interested in the relationship between entrepreneurs, the current environment for entrepreneurship, and how we can make them more robust. In my view strengthening these ecosystems is an avenue to spur small business growth, create jobs, and grow our economy.

Babson College, one of the country's top colleges for undergraduate/graduate entrepreneurship programs, has looked into what makes up an entrepreneurial ecosystem. Babson has identified the ''six domains'' of any entrepreneurial ecosystem: a conducive culture that rewards innovation, creativity and experimentation; enabling policies and leadership that provide regulatory and capital support; availability of appropriate finance, including micro-loans, private equity and public capital; quality human capital that include both skilled and unskilled workers from at home and abroad; venture-friendly markets for products by creating distribution channels and entrepreneurship networks; and a range of institutional and infrastructural supports, including incubation centers and legal and accounting advisers.

Building off this research and with feedback from other stakeholders, late last year my committee began preparations to conduct a series of roundtables on strengthening the entrepreneurial ecosystem for small businesses. The goal of these roundtables, which were conducted between February and April 2012, was to take the ideas that come out of these discussions and use them as the foundation for a major piece of legislation to support the entrepreneurial ecosystem. The first roundtable on February 1, 2012, was entitled ''Developing and Strengthening High-Growth Entrepreneurship.'' This roundtable set the stage for our discussions by exploring the recent success of high-growth firms in job creation and why it is so important that we replicate that success. The second roundtable was on March 22, 2012, and was entitled ''A Spotlight on Small Business Investment Companies and Their Role in the Entrepreneurship Ecosystem.'' That roundtable looked at how we could enhance an already successful program that gets capital into the hands of America's job creators. The last roundtable was on April 18, 2012, and was entitled ''Perspectives from the Entrepreneurial Ecosystem: Creating Jobs and Growing Businesses through Entrepreneurship.'' That roundtable discussed how different stakeholders in the entrepreneurial ecosystem are creating new entrepreneurs and growing businesses. It brought together key stakeholders from different levels of an entrepreneurial ecosystem: universities and entrepreneurship programs, Federal and local officials, investors, private sector accelerators, mentors, and successful entrepreneurs.

As a result of these three roundtables, my committee received almost 60 specific policy recommendations from the 41 participants. Some of these recommendations fell under the

jurisdictions of other Senate committees, while other proposals had a significant cost associated with them or lacked the strong bipartisan support necessary to move them forward in the Senate. After further consulting with my colleagues on the committee, I was able to identify our own six ''domains'' of proposals to focus our efforts on: Tax and Finance; Access to Capital; Access to Global Markets; Access to Mentoring, Education and Strategic Partnerships; Access to Government Contracting; and Transparency, Accountability, and Effectiveness. These domains form the six titles of the Success Ultimately Comes from Capital, Contracting, Education, Strategic Partnerships, and Smart Regulations, SUCCESS, Act of 2012.

First, Title I of the SUCCESS Act provides almost $12 billion in tax incentives to assist small businesses. All five tax provisions within the SUCCESS Act were based on parts of legislation, S. 2050, that was introduced in January by Senator SNOWE and myself. S. 2050, the Small Business Tax Extenders Act, reflects the work of many of my Senate colleagues, including Senators SNOWE, KERRY, MERKLEY, CARDIN, ISAKSON, and SHAHEEN.

Section 102 of the SUCCESS Act extends the 100 percent exclusion from tax the gain on the sale of qualified small businesses, QSB, stock that non-corporate taxpayers purchase in 2012 and 2013 and hold for 5 years. Qualifying small business stock is stock of C-corporation whose gross assets do not exceed $50 million, including the proceeds received from the issuance of the stock, and who meets a specific active business requirement. The amount of gain eligible for the exclusion is limited to the greater of ten times the taxpayer's basis in the stock or $10 million of gain from stock in that corporation. Until 2009, non-corporate taxpayers were allowed to exclude 50 percent of the gain from the sale of stock of QSB if the taxpayers held the stock for 5 years. The Recovery Act of 2009 increased the 50 percent exclusion to 75 percent and the Small Business Jobs Act and subsequent legislation increased and extended the exclusion to 100 percent through 2011. However, as of January 1, 2012, the 100 percent exclusion has reverted to 50 percent and startup investments are no longer entitled to preferential capital gains treatment.

Senator KERRY, a senior member of my committee as well as the Finance Committee, has been a leader in the Senate in getting this provision extended in previous Congresses. I also note that this proposal has bipartisan and White House support. President Obama has repeatedly called on Congress to make permanent the 100 percent capital gains exclusion and included this proposal in his Startup America Legislative Agenda. Senators MORAN, WARNER, COONS and RUBIO have all called for making this provision permanent and included a version of this provision in S. 3217, the Startup Act 2.0 that was introduced in May. According to a Kauffman Foundation paper published earlier this year, the 100 percent exclusion ''boosts the after-tax returns on such investments in startups and should induce substantial levels of new investments in startup firms.'' They further estimate that making this provision permanent would increase risky investments by conservatively 50 percent more than overall cost of the provision.

Section 103 of the bill extends the increased deduction for business start-up expenditures in 2012 and 2013 from $5,000 to $10,000, subject to a $60,000 threshold. Under current law, taxpayers can elect to deduct up to $5,000 of ''start-up expenditures'' in the taxable year in which they start a trade or business. The $5,000 is reduced—but not below zero—by the amount by which start-up costs exceed $50,000. Examples of startup costs include studies of potential markets, products, labor markets, or transportation systems; advertisements for the opening of a new business; compensation for consultants and employees undergoing training and their instructors; and travel for the purpose of securing suppliers, distributors, and customers.

The Small Business Jobs Act temporarily increased the amount of start-up expenditures entrepreneurs could deduct from their taxes in 2010 from $5,000 to $10,000, with a phase-out threshold of $60,000. We need to bring this provision back to aid our small businesses.

I note that there is also support within this chamber and from the White House for this proposal. As part of his Startup America Legislative Agenda, President Obama has called for making permanent the increased deduction for start-up expenditures. Senator MERKLEY successfully fought for the initial increase in deduction to be included in the Small Business Jobs Act. Over the past several years, this proposal has been repeatedly endorsed by the National Association for the Self-Employed and the National Federation of Independent Businesses, NFIB. Furthermore, according to a Kauffman Foundation survey, on average, new firms inject about $80,000 into their business during the first year of operation. The vast majority of small business owners—between 80 percent and 90 percent—also invest significant amounts of their own money into their businesses. These budding enterprises are also more dependent on personal capital at startup than after they become established businesses. Doubling the deduction for start-up costs puts cash in the hands of small businesses owners who need it most—those who are just getting started. According to estimates from Third Way, a non-partisan group, this proposal would help the more than 600,000 Americans who start their own business every year.

Under current law, when a corporation becomes an S-Corporation, it is required to hold its business assets for 10 years or pay punitive taxes. This 10-year holding period is too long and ties up assets that could be sold to raise capital. In 2010, Congress reduced this holding period to 5 years to better match business planning cycles. Section 104 of my bill will extend the 5-year holding period for 2012 and 2013, costing $251 million over 10 years. As with other provisions in the SUCCESS Act, this provision has bipartisan support. Senator CARDIN has fought to make this proposal permanent. Senators SNOWE, VITTER, and ROBERTS have also been long-time supporters and are co-sponsors of legislation introduced by Senator CARDIN to make this provision permanent. By granting this extension, we will give the more than 4 million S-Corporations in the U.S. the flexibility they need to raise capital.

Section 105 would allow sole proprietorships, partnerships and non-publicly traded corporations with less than $50M in average gross annual receipts for the prior 3 years, to carryback unused general business credits earned in 2012 and 2013 for 5 previous years. Under current law, if a business has no tax liability in its current tax year, it may carry the general business tax credit back to the previous tax year to offset taxes paid in the previous year and obtain a refund. If the current credit exceeds taxes paid in the previous year, the remaining credit may be carried forward for 20 years, without interest, and used to offset tax liability in future years. The general business credit is limited to the difference between the regular tax liability of a business and the greater of its tentative minimum tax or 25 percent of regular tax liability in excess of $25,000. The general business tax credit is comprised of several different tax credits including the R&D tax credit, energy credits, the Low-Income Housing Tax Credit and the Work Opportunity Tax Credit.

This extension would provide tax refunds to businesses that were previously healthy but are currently running losses. It would improve the effectiveness of business credits that are intended to expand investment and employment, in the case of the Work Opportunity Tax Credit. It would also allow businesses greater immediate benefit from credits designed to encourage specific types of economic activity, such as hiring disadvantaged workers or investments in renewable energy. By providing businesses with greater opportunity to claim business credits, the provisions would also give an infusion of cash to businesses, which might promote investment. This could be particularly important if businesses have trouble borrowing because of financial market problems.

Section 106 of the SUCCESS Act extends a generous Section 179 provision that allows small businesses to immediately write-off up to $500,000, up from $250,000, for tangible personal property

and up to $250,000 for improvements to leasehold property and retail property.

Under the Small Business Jobs Act and other subsequent legislation, for taxable years beginning in 2010 and 2011, small businesses could write-off for capital expenditures for ''qualifying Sec. 179 property'' up to $500,000 and the phase-out threshold has been increased to $2,000,000. These thresholds were up from prior law thresholds of $25,000/$200,000. In addition, for the first time, the Small Business Jobs Act allowed taxpayers to expense $250,000 of the cost of improvements to real property including qualified restaurant property and qualified retail property. To qualify for the section 179 deduction, property must have been acquired for use in the trade or business. Examples of qualifying property include machinery and equipment; property contained in or attached to a building, other than structural components, such as refrigerators, grocery store counters, office equipment, printing presses, testing equipment, and signs.; gasoline storage tanks and pumps at retail service stations.; livestock, including horses, cattle, hogs, sheep, goats, and mink and other furbearing animals.

Extending the enhanced Section 179 deduction has bipartisan Senate support, White House support, and industry support. The President supports extending Section 179. My colleague Senator SNOWE is a strong supporter of the enhanced Section 179 provision that allows businesses to expense improvements to restaurant and retail property. She developed this particular proposal in connection with her work on the Small Business Jobs Act. Finally, 26 National business groups such as the NFIB, the U.S. Chamber of Commerce, the National Association of Homebuilders, and the National Association of the Self-Employed endorsed extending Section 179 and including expensing for real property improvements in a May 21, 2012 letter to Congress.

The next title of the SUCCESS Act focuses on improving access to capital for small businesses. In particular, Subtitle A under Title II was previously introduced as S. 3253, the Expanding Access to Capital for Entrepreneurial Leaders, EXCEL, Act. It provides necessary and timely enhancements to the Small Business Investment Company, SBIC, program. SBICs are government backed and regulated private equity funds which invest in U.S. small businesses. The SBIC program was created in 1958 by then Senator Lyndon Johnson and Senator William Fulbright, and signed into law by President Eisenhower. During a Senate hearing on the creation of the program, Senator Joseph Clark said the legislation is ''necessary to increase the availability of long-term credit and equity capital for small businesses.''

Since 1958, SBICs have invested $56 billion in over 100,000 small businesses. The core debenture program operates at no cost to taxpayers. SBIC success stories include: Apple Computer, Callaway Golf, Costco, Outback Steakhouse, Jenny Craig, Annie's food company, and Center Rock of Berlin, PA, the manufacturers of the drill bit that saved the Chilean miners in October 2010.

The SBIC program has seen strong growth in the past few years. For example, the program grew 50 percent in fiscal year 2011 alone. However, the authorization level has not been permanently raised since 2003. To continue fulfilling the intent of the original legislation, it is time to make some improvements. The Landrieu-Snowe EXCEL Act has two main components. First, it raises the statutory cap for the SBIC Program from $3 billion to $4 billion. Second, it increases the amount of leverage by SBIC licensees under common control from $225 million to $350 million ''Family of Funds''. The components of this provision were also included in the President's Startup America legislative package.

Subtitle B of Title II was originally introduced as S. 2364 by Senators SNOWE, LANDRIEU, ISAKSON and SHAHEEN. The 504 loan program is a long-term financing tool for economic development that provides small businesses with long-term, fixed-rate loans to help them acquire major fixed assets and real estate for expansion or modernization. The Small Business Jobs Act allowed small businesses to use the 504 loan program to refinance certain qualifying existing debt for two years, but the SBA did not promulgate regulations to implement the refinancing provision until February 17, 2012.

This subtitle would extend for a year and a half a provision allowing small business owners to use Small Business Administration, SBA, 504 loans to refinance existing commercial mortgages. Extending the 504 refinancing program is a common-sense way to help small businesses and create jobs. By allowing small businesses to refinance qualified commercial real estate debt, this program lowers their monthly mortgage payments at no cost to taxpayers. That's right, this provision has zero subsidy cost. At a time when we are still facing high unemployment, this extension is one of many things that we should be doing to put more capital in the hands of America's job creators.

Subtitle C of Title II is a new proposal introduced for the first time as part of the SUCCESS Act. SBA currently releases some information publicly about SBA lending activity, but it is almost impossible to find and comprehend if you are not an SBA lending professional. If a small business, mayor, or governor wants to determine SBA lending activity in their area, they lack the ability to do so easily.

This subtitle would require the SBA to post a user friendly Lender Activity Index on the SBA website. Users will immediately be able to access the following data for any given bank: name of bank, number of SBA loans each bank made, total dollar amount of SBA loans of each bank, zip code of bank activity, not where every single loan was made, but a list of every zip code where the bank has made an SBA loan, industries lent to, hospitality, manufacturing, service, software, etc., stage of business cycle, new, or existing business, and business specific information, i.e. Women Owned Businesses, Minority Owned Businesses, or Veteran Owned Businesses. Data will be available for the year to date and users will be able to compare to 3 previous fiscal years. Both quarterly and annual data will be included.

Title III of the SUCCESS Act focuses on promoting exports from small businesses. The Small Business Jobs Act made major changes to the international trade work done by the SBA. Now that those provisions have been in place for several years, there are additional refinements and direction needed. I would like to specifically thank Senators SHAHEEN and AYOTTE for their bipartisan export contributions to this effort. The export provisions of Tile III are taken from S. 3218, their Small Business Growth Act of 2012, as well as S. 3277, the Go Global Act of 2012 that Senator SHAHEEN and I authored this year.

95 percent of the world's customers are located outside of the borders of the United States, and in the last twelve months we have exported more than $2 trillion of goods and services to these consumers. Yet only 1 percent of our approximately 28 million small businesses export. Our agencies need to be working together to ensure our small businesses have the resources they need to expand their customer base and be part of the more than $180 billion in exports that the United States sends around the world each month.

This title aids our small business exporters by addressing federal government coordination, resources for rural businesses, and export control education. It establishes, in Section 306, an interagency task force of SBA, the Department of Agriculture (USDA), the Export-Import Bank, and the Overseas Private Investment Corporation on export financing to review, improve, and increase collaboration on current finance programs. Then, to further coordination, Section 307(a) begins a cross training program with SBA and USDA to inform their respective export finance specialists more about each other's programs. Our small businesses face enough challenges—we should be bringing our resources to them. In Section 304, this bill requires SBA, in coordination with other agencies, to do at least one export outreach event per year in each state. Section 307(b) also aids our rural small businesses by posting a list of rural lenders who participate in SBA and USDA loan programs and a list of rural small businesses counseling and technical assistance resources. Jobs created by exports pay, on average, 15 to 20 percent more than jobs created by goods and services sold

in the United States. This bill will continue to support entrepreneurs who want to create and grow these employment opportunities for all Americans.

Title IV of the bill focuses on promoting small business access to mentoring, education and strategic partnerships. Subtitle A of this title was originally introduced by Senator SNOWE and I as S. 3198, the Strengthening Resources for America's Entrepreneurs Act of 2012. The SBA Office of Entrepreneurial Development, OED, oversees a network of programs and services that support the training and counseling needs of small business. According to the SBA, OED helps hundreds of thousands of small business clients start, grow and compete in global markets by providing quality training, counseling and access to resources. SBA delivers these services through non-profit, college and university, and community-based organization resource partners. Through its network of over 1,000 resource partners across the country, OED programs include Small Business Development Centers, SBDCs, Women's Business Centers, SCORE, and Entrepreneurship Education. However, it is currently difficult to track effectiveness and ensure our resources are being used in the best ways possible. To solve this challenge, this subtitle has four primary components. First, it requires the SBA to coordinate and make consistent data collection and outcome metrics for Entrepreneurial Development programs. Second, it increases planning for utilizing Entrepreneurial Development programs to create jobs. Third, it increases coordination between Entrepreneurial Development programs and Resource Partners at the national level. Finally, it increases accountability measures and reports to Congress regarding the effectiveness of Entrepreneurial Development programs.

Subtitle B of the bill comes from S. 3197, the Women's Small Business Ownership Act which was sponsored by Senator SNOWE and myself. This subtitle is focused on the SBA Women's Business Center (WBC) program. The WBC program was established in 1988 and implemented through the SBA's Office of Women's Business Ownership. It provides quality counseling and training services to all entrepreneurs, primarily women, especially those who are socially and economically disadvantaged. Through a network of over 100 non-profit organizations, WBCs help more than 150,000 clients annually to start and grow small firms in the local area in which they serve and to stimulate economic growth. Subtitle B reauthorizes the WBC program through Fiscal Year 2015 and makes improvements to the program, including a Government Accountability Office review of Women's Business Center program performance as compared with other SBA Entrepreneurial Development programs.

Subtitle C of the SUCCESS Act is Senator SNOWE's Strengthening America's Small Business Development Centers Act. Small Business Development Centers (SBDCs) are considered to be the backbone of the SBA's Office of Entrepreneurial Development efforts, and are the largest of the agency's OED programs. SBDCs are the university based resource partners that provide counseling and training needs for more than 600,000 business clients annually. From 2007 to 2008, the counseling and technical assistance services they offered lead to the creation of 58,501 new jobs, at a cost of $3,462 per job. Additionally, they estimate that their counseling services helped to save 88,889 jobs. This subtitle would reauthorize SBDC program at the current $135 million authorization level through fiscal year 15. Beyond reauthorizing the SBDC program, this provision also encourages SBDCs to improve outreach and communications to universities, community colleges, and junior colleges and allows the SBA Administrator to authorize out-of-state SBDCs to provide assistance in declared disaster areas.

Subtitle D of Title IV was originally introduced as S. 3281 by Senators SNOWE, KERRY, and COBURN. This subtitle repeals Federal authorization of the National Veterans Business Development Corporation, TVC, eliminating an ineffective government program. The National Veterans Business Development Corporation, also known as The Veterans Corporation or simply TVC, has been ineffective and controversial since its inception as part of the Veterans Entrepreneurship and Small Business Development Act, P.L. 106–50, in 1999. In December of 2008, former Small Business Committee Chairman KERRY and Ranking Member SNOWE investigated TVC, and issued a report detailing the organization's blatant mismanagement and wasting of taxpayers' dollars. Since the issuing of the Small Business Committee's report, Congress has appropriated no further funding for TVC, and the Small Business Administration has incorporated the Veteran Business Resource Centers, VBRCs, that TVC previously funded into its existing network of Veteran Business Outreach Centers, VBOCs. At present, TVC still exists as an organization, and it is still technically federally chartered. At the same time, it receives no Federal funds, has no Department or Agency oversight. It is time for it to be eliminated.

Title V of the SUCCESS Act focuses on promoting Federal government contracting opportunities for small businesses. Section 511 under Subtitle A of Title V was originally introduced by Senators CARDIN, LANDRIEU and SNOWE as S. 2187, the Small Business Administration Surety Bond Increase Act. The SBA administers a surety bond guarantee program, designed to encourage sureties to issue bonds when they would otherwise determine that a small business presents an unacceptable degree of risk. Under the program, SBA may guarantee bid, performance, and payment bonds for individual contracts of $2 million or less for small businesses that cannot obtain surety bonds through regular commercial channels. In the American Recovery & Reinvestment Act of 2009, Senator CARDIN was able to temporarily increase the size of SBA surety bond guarantee from $2 million to $5 million. Section 511 would make that permanent. It would ensure that small businesses have the means to the secure the necessary surety bonding to compete for contracts during the economic downturn.

Subtitle B of Title V was originally introduced by Senators SNOWE, LANDRIEU, ENZI, BROWN, MERKLEY, CANTWELL and eight other senators as S. 633, the Small Business Contracting Fraud Prevention Act. Fraud in small business contracting programs has starkly increased over the years. Recently we have all read about instances where large businesses misrepresent their size and status to receive the benefits of SBA programs designed for small businesses. Firms that engage in this activity have long been subject to civil and/or criminal penalties under various laws and government-wide policies.

The provisions in Subtitle B provide the SBA Inspector General with enhanced tools to eliminate fraud in small business contracting programs by: imposing greater penalties for fraud; requiring that firms be debarred for five years if they misrepresent their status as veteran-owned for purposes of programs under the act; and requiring the SBA to submit annual reports to Congress on the number of persons debarred or suspended from government contracting, or considered for debarment or suspension from government contracting, for violations of the bill. This will deter fraud in government small business contracting and will keep Congress in the loop on small business fraud issues.

Subtitle C under Title V was originally introduced by Senators SNOWE, LANDRIEU, GILLIBRAND and seven other senators as S. 2172, the Fairness in Women-Owned Small Business Contracting Act. Currently, the Women-Owned Small Business, WOSB, contracting program caps contract awards to woman-owned businesses at $4 million for goods/services and $6.5 million for manufacturing. In addition, sole-source contract awards under the program are prohibited. In other words, this program has limits that no other contracting program has.

The provisions in Subtitle C would remove the contract award price limits for women-owned small businesses, create a provision allowing sole-source contract awards to WOSBs, direct the SBA to periodically conduct a study to identify any U.S. industry in which women are underrepresented, and every five years report the study results to Congress. From these improvements, more contracting opportunities will emerge for women-owned businesses in the Federal marketplace.

Subtitle D of the Title V of the SUCCESS originated with our colleagues in the House of Representatives as H.R. 3851, the Small Business Champion Act. The Small Business Act established an Office of Small and Disadvantaged Business, OSDBU, within all major Federal Executive Agencies. The OSDBU is the primary advocate within each Agency responsible for promoting the maximum use of all small business programs within the Federal contracting process. The OSDBU is tasked with ensuring that each Federal agency and their large prime vendors comply with federal laws, regulations, and policies to include small businesses as sources for goods and services, both as prime contractors and subcontractors. Approximately 35 Federal Agencies have fully functioning OSDBU offices.

In an effort to assist agencies with meeting contracting goals, Subtitle D makes three major modifications to OSDBU offices. First, it elevates the OSDBU Director at each agency to the Senior Executive Service, SES, rank. Second, it prohibits combining the duties of the OSDBU Director with unrelated duties. Finally, it requires that agencies consult with the OSDBU office on decisions to insource work performed by small businesses. I would note that the House of Representatives Committee on Small Business approved H.R. 3851 by voice vote on March 7, 2012.

The final title of the SUCCESS Act is focused on improving Federal Government transparency, accountability, and effectiveness. A key component of this title is a result of the work of my colleague Senator HAGAN from North Carolina. In particular, Subtitle A of Title VI is based upon Senator HAGAN's legislation, S. 3194, the Small Business Common Application Act of 2012.

Whether it is applying for a grant, seeking technical assistance, or bidding on a contract, small businesses face a dizzying array of paperwork when interacting with the Federal government. As a result, many small businesses avoid Federal programs altogether, missing out on potentially lucrative business opportunities. Senator HAGAN's bill aims to streamline assistance for small businesses facing layers of paperwork when they apply for a grant, seek technical assistance or bid on a contract from the Federal government.

Furthermore, according to a 2010 study from the SBA Office of Advocacy, it costs small businesses with 20 employees or less more than $10,500 per employee to comply with Federal regulations. When compared to their larger counterparts, it costs small firms over $2,800—or approximately 36 percent more—for each employee.

Subtitle A builds off provisions in S. 3194 by establishing an Executive Committee of 12 Federal agency representatives, headed by the SBA Administrator, to review the feasibility of establishing a Small Business Common Application. This Executive Committee would then provide recommendations to the Executive Branch and Congress within 270 days on establishing a common application and web portal for small businesses.

The small business ''common app'' would function much like the one that students complete to apply to multiple colleges and universities simultaneously. It would ensure that small businesses across the country can concentrate on growing and creating jobs—not wasting time, filling out mountains of repetitive paperwork.

Lastly, I recognize that it is important to provide sufficient oversight of the programs and assistance authorized in this bill. Subtitle B of Title VI would authorize a GAO review of the bill—including whether programs receive necessary funding, have been successfully implemented, and are promoting job creation among small businesses. This report would go to the House and Senate Small Business Committees not later than 2 years after the date of enactment.

In closing, I would like to reiterate that the SUCCESS Act is a combination of numerous bipartisan bills that have been introduced this Congress. So these proposals are neither new nor untested—they are ready for prime time. On July 12, 2012 the Senate voted on the SUCCESS Act as part of Senate Amendment 2521 to S. 2237, the Small Business Jobs and Tax Relief Act of 2012. Although the amendment came up short of the 60 votes needed to end debate, Senate Amendment 2521 did receive a strong 57 bipartisan votes. My Republican colleagues Senators SNOWE, COLLINS, VITTER, SCOTT BROWN, and HELLER all voted in support of the amendment. I thank them for joining with us to try to move this legislation forward in the Senate. It is my understanding that some of my Republican colleagues may have voted for the amendment if it did not contain the underlying provisions from S. 2237. Procedurally, it was necessary to include these provisions to ensure a vote on the SUCCESS Act. However, recognizing these concerns, our bill that is being introduced today only includes Subtitle B of Senate Amendment 2521—the bipartisan SUCCESS Act provisions. I hope that additional colleagues from both sides of the aisle will now support the SUCCESS Act, especially as we are only a few votes short of being able to move it forward here in the Senate.

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. 3442

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 ''Success Ultimately Comes from Capital, Contracting, Education, Strategic Partnerships, and Smart Regulations Act of 2012'' or the ''SUCCESS Act of 2012''.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—SMALL BUSINESS TAX EXTENDERS

Sec. 101. References.
Sec. 102. Extension of temporary exclusion of 100 percent of gain on certain small business stock.
Sec. 103. Extension of increased amount allowed as a deduction for start-up expenditures.
Sec. 104. Extension of reduction in recognition period for built-in gains tax.
Sec. 105. Extension of 5-year carryback of general business credits of eligible small businesses.
Sec. 106. Extension of increased expensing limitations and treatment of certain real property as section 179 property.

TITLE II—ACCESS TO CAPITAL

Subtitle A—Expanding Access to Capital for Entrepreneurial Leaders

Sec. 211. Short title.
Sec. 212. Program authorization.
Sec. 213. Family of funds.
Sec. 214. Adjustment for inflation.
Sec. 215. Public availability of information.
Sec. 216. Authorized uses of licensing fees.
Sec. 217. Sense of Congress.

Subtitle B—Low-Interest Refinancing

Sec. 221. Low-interest refinancing under the local development business loan program.

Subtitle C—SBA Lender Activity Index

Sec. 231. SBA lender activity index.

TITLE III—ACCESS TO GLOBAL MARKETS

Sec. 301. Short title.
Sec. 302. Report on improvements to Export.gov as a single window for export information.
Sec. 303. Report on developing a single window for information about export control compliance.
Sec. 304. Promotion of exporting.
Sec. 305. Export control education.
Sec. 306. Small Business Inter-Agency Task Force on Export Financing.
Sec. 307. Promotion of exports by rural small businesses.
Sec. 308. Registry of export management and export trading companies.
Sec. 309. Reverse trade missions.
Sec. 310. State Trade and Export Promotion Grant Program.
Sec. 311. Promotion of interagency details.
Sec. 312. Annual export strategy.

TITLE IV—ACCESS TO MENTORING, EDUCATION, AND STRATEGIC PARTNERSHIPS

Subtitle A—Measuring the Effectiveness of Resource Partners

Sec. 411. Expanding entrepreneurship.

Subtitle B—Women's Small Business Ownership

Sec. 421. Short title.
Sec. 422. Definition.
Sec. 423. Office of Women's Business Ownership.
Sec. 424. Women's Business Center Program.
Sec. 425. Study and report on economic issues facing women's business centers.
Sec. 426. Study and report on oversight of women's business centers.

Subtitle C—Strengthening America's Small Business Development Centers

Sec. 431. Institutions of higher education.

Sec. 432. Updating funding levels for small business development centers.
Sec. 433. Assistance to out-of-state small businesses.
Sec. 434. Termination of small business development center defense economic transition assistance.
Sec. 435. National Small Business Development Center Advisory Board.
Sec. 436. Repeal of Paul D. Coverdell drug-free workplace program.

Subtitle D—Terminating the National Veterans Business Development Corporation

Sec. 441. National Veterans Business Development Corporation.

TITLE V—ACCESS TO GOVERNMENT CONTRACTING

Subtitle A—Bonds

Sec. 511. Removal of sunset dates for certain provisions of the Small Business Investment Act of 1958.

Subtitle B—Small Business Contracting Fraud Prevention

Sec. 521. Short title.
Sec. 522. Definitions.
Sec. 523. Fraud deterrence at the Small Business Administration.
Sec. 524. Veterans integrity in contracting.
Sec. 525. Section 8(a) program improvements.
Sec. 526. HUBZone improvements.
Sec. 527. Annual report on suspension, debarment, and prosecution.

Subtitle C—Fairness in Women-Owned Small Business Contracting

Sec. 531. Short title.
Sec. 532. Procurement program for women-owned small business concerns.
Sec. 533. Study and report on representation of women.

Subtitle D—Small Business Champion

Sec. 541. Short title.
Sec. 542. Offices of Small and Disadvantaged Business Utilization.
Sec. 543. Small Business Procurement Advisory Council.

TITLE VI—TRANSPARENCY, ACCOUNTABILITY, AND EFFECTIVENESS

Subtitle A—Small Business Common Application

Sec. 611. Definitions.
Sec. 612. Sense of Congress.
Sec. 613. Executive Committee On a Small Business Common Application.
Sec. 614. Authorization of appropriations.

Subtitle B—Government Accountability Office Review

Sec. 621. Government Accountability Office review.

TITLE I—SMALL BUSINESS TAX EXTENDERS

SEC. 101. REFERENCES.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 102. EXTENSION OF TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

(a) IN GENERAL.—Paragraph (4) of section 1202(a) is amended—

(1) by striking ''January 1, 2012'' and inserting ''January 1, 2014'', and

(2) by striking ''AND 2011'' and inserting '', 2011, 2012, AND 2013'' in the heading thereof.

(b) TECHNICAL AMENDMENTS.—

(1) SPECIAL RULE FOR 2009 AND CERTAIN PERIOD IN 2010.—Paragraph (3) of section 1202(a) is amended by adding at the end the following new flush sentence:

''In the case of any stock which would be described in the preceding sentence (but for this sentence), the acquisition date for purposes of this subsection shall be the first day on which such stock was held by the taxpayer determined after the application of section 1223.''.

(2) 100 PERCENT EXCLUSION.—Paragraph (4) of section 1202(a) is amended by adding at the end the following new flush sentence:

''In the case of any stock which would be described in the preceding sentence (but for this sentence), the acquisition date for purposes of this subsection shall be the first day on which such stock was held by the taxpayer determined after the application of section 1223.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to stock acquired after December 31, 2011.

(2) SUBSECTION (b)(1).—The amendment made by subsection (b)(1) shall take effect as if included in section 1241(a) of division B of the American Recovery and Reinvestment Act of 2009.

(3) SUBSECTION (b)(2).—The amendment made by subsection (b)(2) shall take effect as if included in section 2011(a) of the Creating Small Business Jobs Act of 2010.

SEC. 103. EXTENSION OF INCREASED AMOUNT ALLOWED AS A DEDUCTION FOR START-UP EXPENDITURES.

(a) IN GENERAL.—Paragraph (3) of section 195(b) is amended—

(1) by inserting '', 2012, or 2013'' after ''2010'', and

(2) by inserting ''2012, AND 2013'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2011.

SEC. 104. EXTENSION OF REDUCTION IN RECOGNITION PERIOD FOR BUILT-IN GAINS TAX.

(a) IN GENERAL.—Paragraph (7) of section 1374(d) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D), and

(2) by inserting after subparagraph (B) the following new subparagraph:

''(C) SPECIAL RULE FOR 2012 AND 2013.—For dispositions of property in taxable years beginning in 2012 or 2013, subparagraphs (A) and (D) shall be applied by substituting '5-year' for '10-year'.''.

(b) TECHNICAL AMENDMENT.—Subparagraph (B) of section 1374(d)(2) is amended by inserting ''described in subparagraph (A)'' after '', for any taxable year''.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2011.

SEC. 105. EXTENSION OF 5-YEAR CARRYBACK OF GENERAL BUSINESS CREDITS OF ELIGIBLE SMALL BUSINESSES.

(a) IN GENERAL.—Subparagraph (A) of section 39(a)(4) is amended by inserting ''or in taxable years beginning in 2012, or 2013'' after ''2010''.

(b) TECHNICAL AMENDMENT.—Section 38(c)(5)(B) is amended—

(1) by striking ''the sum of'', and

(2) by inserting ''for any taxable year to which subparagraph (A) applies'' after ''or (4)''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to credits determined in taxable years beginning after December 31, 2011.

(2) TECHNICAL AMENDMENTS.—The amendments made by subsection (b) shall take effect as if included in section 2013(a) of the Creating Small Business Jobs Act of 2010.

SEC. 106. EXTENSION OF INCREASED EXPENSING LIMITATIONS AND TREATMENT OF CERTAIN REAL PROPERTY AS SECTION 179 PROPERTY.

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Section 179(b)(1) is amended—

(A) by striking ''and'' at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

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

''(D) $500,000 in the case of taxable years beginning in 2013, and'', and

(D) in subparagraph (E), as so redesignated, by striking ''2012'' and inserting ''2013''.

(2) REDUCTION IN LIMITATION.—Section 179(b)(2) is amended—

(A) by striking ''and'' at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

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

''(D) $2,000,000 in the case of taxable years beginning in 2013, and'', and

(D) in subparagraph (E), as so redesignated, by striking ''2012'' and inserting ''2013''.

(b) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking ''2013'' and inserting ''2014''.

(c) ELECTION.—Section 179(c)(2) is amended by striking ''2013'' and inserting ''2014''.

(d) SPECIAL RULES FOR TREATMENT OF QUALIFIED REAL PROPERTY.—

(1) IN GENERAL.—Section 179(f)(1) is amended by striking ''2010 or 2011'' and inserting ''2010, 2011, or 2013''.

(2) CARRYOVER LIMITATION.—Section 179(f)(4) is amended by striking subparagraphs (A) through (C) and inserting the following:

''(A) IN GENERAL.—Notwithstanding subsection (b)(3)(B)—

''(i) no amount attributable to qualified real property placed in service in any taxable year beginning in 2010 or 2011 may be carried over to any taxable year beginning after 2011, and

''(ii) no amount attributable to qualified real property placed in service in any taxable year beginning in 2013 may be carried over to any taxable year beginning after 2013.

''(B) TREATMENT OF DISALLOWED AMOUNTS.—Except as provided in subparagraph (C)—

''(i) TAXABLE YEARS BEGINNING AFTER 2011.—To the extent that any amount is not allowed to be carried over to a taxable year beginning after 2011 by reason of subparagraph (A)(i), this title shall be applied as if no election under this section had been made with respect to such amount.

''(ii) TAXABLE YEARS BEGINNING AFTER 2013.—To the extent that any amount is not allowed to be carried over to a taxable year beginning after 2013 by reason of subparagraph (A)(ii), this title shall be applied as if no election under this section had been made with respect to such amount.

''(C) AMOUNTS CARRIED OVER FROM CERTAIN TAXABLE YEARS.—

''(i) AMOUNTS CARRIED OVER FROM 2010.—If subparagraph (B)(i) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer's last taxable year beginning in 2011, such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer's last taxable year beginning in 2011.

''(ii) AMOUNTS CARRIED OVER FROM 2013.—If subparagraph (B)(ii) applies to any amount (or portion of an amount) which is carried over from a taxable year other than the taxpayer's last taxable year beginning in 2013,

such amount (or portion of an amount) shall be treated for purposes of this title as attributable to property placed in service on the first day of the taxpayer's last taxable year beginning in 2013.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

TITLE II—ACCESS TO CAPITAL

Subtitle A—Expanding Access to Capital for Entrepreneurial Leaders

SEC. 211. SHORT TITLE.

This subtitle may be cited as the ''EXCEL Act of 2012''.

SEC. 212. PROGRAM AUTHORIZATION.

Section 303(b) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)) is amended, in the matter preceding paragraph (1), in the first sentence, by inserting after ''issued by such companies'' the following: '', in a total amount that does not exceed $4,000,000,000 each fiscal year (adjusted annually to reflect increases in the Consumer Price Index established by the Bureau of Labor Statistics of the Department of Labor)''.

SEC. 213. FAMILY OF FUNDS.

Section 303(b)(2)(B) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)(2)(B)) is amended by striking ''$225,000,000'' and inserting ''$350,000,000''.

SEC. 214. ADJUSTMENT FOR INFLATION.

Section 303(b)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)(2)) is amended by adding at the end the following:

''(E) ADJUSTMENTS.—

''(i) IN GENERAL.—The dollar amounts in subparagraph (A)(ii), subparagraph (B), and subparagraph (C)(ii)(I) shall be adjusted annually to reflect increases in the Consumer Price Index established by the Bureau of Labor Statistics of the Department of Labor (in this subparagraph referred to as the 'CPI').

''(ii) APPLICABILITY.—The adjustments required by clause (i)—

''(I) with respect to dollar amounts in subparagraphs (A)(ii) and (C)(ii)(I) shall initially reflect increases in the CPI during the period beginning on the effective date of section 505 of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 156) through the date of enactment of this subparagraph and annually thereafter;

''(II) with respect to dollar amounts in subparagraph (B) shall reflect increases in the CPI annually on and after the date of enactment of this subparagraph.''.

SEC. 215. PUBLIC AVAILABILITY OF INFORMATION.

Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended by adding at the end the following:

''(l) ACCESS TO FUND INFORMATION.—Annually, the Administrator shall make public on its website the following information with respect to each small business investment company:

''(1) The amount of capital deployed since fund inception.

''(2) The amount of leverage drawn since fund inception.

''(3) The number of investments since fund inception.

''(4) The number of businesses receiving capital since fund inception.

''(5) Industry sectors receiving investment since fund inception.

''(6) The amount of leverage principal repaid by the small business investment company since fund inception.

''(7) A basic description of investment strategy.''.

SEC. 216. AUTHORIZED USES OF LICENSING FEES.

Section 301 of the Small Business Investment Act of 1958 (15 U.S.C. 681) is amended—

(1) by redesignating subsection (e) as subsection (d); and

(2) in subsection (d)(2)(B), as so redesignated, by inserting before the period at the end the following: ''and other small business investment company program needs''.

SEC. 217. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) small business investment companies would benefit from partnerships with community banks and other lenders, and should work with community banks and other lenders, to ensure that if community banks and other lenders deny an application by a small business concern for a loan, the community banks or other lenders will refer the small business concern to small business investment companies; and

(2) the Administrator of the Small Business Administration (in this Act referred to as the ''Administrator'') should—

(A) increase outreach to community banks and other lenders to encourage community banks and other lenders to invest in small business investment companies;

(B) use the Internet to make publicly available in a timely manner which small business investment companies are actively soliciting investments and making investments in small business concerns;

(C) partner with governors, mayors, States, and municipalities to increase outreach by small business investment companies to underserved and rural areas; and

(D) continue to make changes to the webpage for the small business investment company program, to make the webpage—

(i) a more prominent part of the website of the Administration; and

(ii) more user-friendly.

Subtitle B—Low-Interest Refinancing

SEC. 221. LOW-INTEREST REFINANCING UNDER THE LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.

Section 1122(b) of the Small Business Jobs Act of 2010 (15 U.S.C. 696 note) is amended by striking ''2 years'' and inserting ''on the date that is 3 years and 6 months''.

Subtitle C—SBA Lender Activity Index

SEC. 231. SBA LENDER ACTIVITY INDEX.

Section 4 of the Small Business Act (15 U.S.C. 633) is amended by adding at the end the following:

''(g) SBA LENDER ACTIVITY INDEX.—

''(1) DEFINITION.—In this subsection, the term 'covered loan' means a loan made or debenture issued under this Act or the Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.) by a private individual or entity.

''(2) REQUIREMENT.—Not later than 6 months after the date of enactment of this subsection, the Administrator shall make publicly available on the website of the Administration a user-friendly database of information relating to lenders making covered loans (to be known as the 'Lender Activity Index').

''(3) DATA INCLUDED.—

''(A) IN GENERAL.—The database made available under paragraph (2) shall include, for each lender making a covered loan—

''(i) the name of the lender;

''(ii) the number of covered loans made by the lender;

''(iii) the total dollar amount of covered loans made by the lender;

''(iv) a list of each ZIP code in which a recipient of a covered loan made by the lender is located;

''(v) a list of the industries of the recipients to which the lender made a covered loan;

''(vi) whether the covered loan is for an existing business or a new business;

''(vii) the number and total dollar amount of covered loans made by the lender to—

''(I) small business concerns owned and controlled by women;

''(II) socially and economically disadvantaged small business concerns (as defined in section 8(a)(4)(A)); and

''(III) small business concerns owned and controlled by veterans; and

''(viii) whether the covered loan was made under section 7(a) or under the program to provide financing to small business concerns through guarantees of loans under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.).

''(B) INCORPORATION OF DATA.—The Administrator shall—

''(i) include in the database made available under paragraph (2) information relating to covered loans made during fiscal years 2009, 2010, 2011, and 2012; and

''(ii) incorporate information relating to covered loans on an ongoing basis.

''(C) PERIOD OF DATA AVAILABILITY.—The Administrator shall retain information relating to a covered loan in the database made available under paragraph (2) until not earlier than the end of the third fiscal year beginning after the fiscal year during which the covered loan was made.''.

TITLE III—ACCESS TO GLOBAL MARKETS

SEC. 301. SHORT TITLE.

This title may be cited as the ''Small Business Export Growth Act of 2012''.

SEC. 302. REPORT ON IMPROVEMENTS TO EXPORT.GOV AS A SINGLE WINDOW FOR EXPORT INFORMATION.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Director of International Trade of the Small Business Administration shall, after consultation with the entities specified in subsection (b), submit to the Committee on Small Business and Entrepreneurship and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Small Business and the Committee on Foreign Affairs of the House of Representatives a report that includes the recommendations of the Director for improving the experience provided by the website Export.gov (or a successor website) as—

(1) a comprehensive resource for information about exporting articles from the United States; and

(2) a single website for exporters to submit all information required by the Federal Government with respect to the exportation of articles from the United States.

(b) ENTITIES SPECIFIED.—The entities specified in this subsection are—

(1) small business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)) that are exporters; and

(2) the President's Export Council, State agencies with responsibility for export promotion or export financing, district export councils, and trade associations.

SEC. 303. REPORT ON DEVELOPING A SINGLE WINDOW FOR INFORMATION ABOUT EXPORT CONTROL COMPLIANCE.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Chief Counsel for Advocacy of the Small Business Administration shall submit to the appropriate congressional committees a report assessing the benefits of developing a website to serve as—

(1) a comprehensive resource for complying with and information about the export control laws and regulations of the United States; and

(2) a single website for exporters to submit all information required by the Federal Government with respect to export controls.

(b) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ''appropriate congressional committees'' means—

(1) the Committee on Commerce, Science, and Transportation, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Small Business and Entrepreneurship of the Senate; and

(2) the Committee on Energy and Commerce, the Committee on Foreign Affairs, and the Committee on Small Business of the House of Representatives.

SEC. 304. PROMOTION OF EXPORTING.

Section 22(c)(11) of the Small Business Act (15 U.S.C. 649(c)(11)) is amended by inserting '', which shall include conducting not fewer than 1 outreach event each fiscal year in each State that promotes exporting as a business development opportunity for small business concerns'' before the semicolon.

SEC. 305. EXPORT CONTROL EDUCATION.

Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by redesignating subsection (l) as subsection (n); and

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

''(l) EXPORT CONTROL EDUCATION.—The Associate Administrator shall ensure that all programs of the Administration to support exporting by small business concerns place a priority on educating small business concerns about Federal export control regulations.''.

SEC. 306. SMALL BUSINESS INTER-AGENCY TASK FORCE ON EXPORT FINANCING.

The Administrator, in consultation with the Secretary of Agriculture, the President of the Export-Import Bank of the United States, and the President of the Overseas Private Investment Corporation shall jointly establish a Small Business Inter-Agency Task Force on Export Financing to—

(1) review and improve Federal export finance programs for small business concerns; and

(2) coordinate the activities of the Federal Government to assist small business concerns seeking to export.

SEC. 307. PROMOTION OF EXPORTS BY RURAL SMALL BUSINESSES.

(a) SMALL BUSINESS ADMINISTRATION-UNITED STATES DEPARTMENT OF AGRICULTURE INTERAGENCY COORDINATION.—

(1) EXPORT FINANCING PROGRAMS.—In coordination with the Secretary of Agriculture, the Administrator shall develop a program to cross-train export finance specialists and personnel from the Office of International Trade of the Administration on the export financing programs of the Department of Agriculture and the Foreign Agricultural Service.

(2) EXPORT ASSISTANCE AND BUSINESS COUNSELING PROGRAMS.—In coordination with the Secretary of Agriculture and the Foreign Agricultural Service, the Administrator shall develop a program to cross-train export finance specialists, personnel from the Office of International Trade of the Administration, Small Business Development Centers, women's business centers, the Service Corps of Retired Executives authorized by section 8(b)(1) of the Small Business Act (15 U.S.C. 637(b)(1)), Export Assistance Centers, and other resource partners of the Administration on the export assistance and business counseling programs of the Department of Agriculture.

(b) REPORT ON LENDERS.—Section 7(a)(16)(F) of the Small Business Act (15 U.S.C. 636(a)(16)(F)) is amended—

(1) in clause (i)—

(A) by redesignating subclauses (I) through (III) as items (aa) through (cc), respectively, and adjusting the margins accordingly;

(B) by striking ''list, have made'' and inserting the following: ''list—

''(I) have made'';

(C) in item (cc), as so redesignated, by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(II) were located in a rural area, as that term is defined in section 1393(a)(2) of the Internal Revenue Code of 1986, or a nonmetropolitan statistical area and have made—

''(aa) loans guaranteed by the Administration; or

''(bb) loans through the programs offered by the United States Department of Agriculture or the Foreign Agricultural Service.''; and

(2) in clause (ii)(II), by inserting ''and by resource partners of the Administration'' after ''the Administration''.

(c) COOPERATION WITH SMALL BUSINESS DEVELOPMENT CENTERS.—Section 21(c)(3)(M) of the Small Business Act (15 U.S.C. 648(c)(3)(M)) is amended by inserting after ''the Department of Commerce,'' the following: ''the Department of Agriculture,''.

(d) LIST OF RURAL EXPORT ASSISTANCE RESOURCES.—Section 22(c)(7) of the Small Business Act (15 U.S.C. 649(c)(7)) is amended—

(1) in subparagraph (C), by striking ''and'' at the end;

(2) by redesignating subparagraph (D) as subparagraph (E); and

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

''(D) publishing an annual list of relevant resources and programs of the district and regional offices of the Administration, other Federal agencies, the small business development center network, Export Assistance Centers, the network of women's business centers, chapters of the Service Corps of Retired Executives, State and local export promotion programs, and partners in the private sector, that—

''(i) are administered or offered by entities located in rural or nonmetropolitan statistical areas; and

''(ii) offer export assistance or business counseling services to rural small businesses concerns; and''.

SEC. 308. REGISTRY OF EXPORT MANAGEMENT AND EXPORT TRADING COMPANIES.

(a) COORDINATION WITH EXPORT MANAGEMENT COMPANIES AND EXPORT TRADING COMPANIES.—Not later than 1 year after the date of enactment of this Act, the Administrator shall establish a program to register export management companies, as that term is defined by the Department of Commerce, and export trading companies, as that term is defined in section 103 of the Export Trading Company Act of 1982 (15 U.S.C. 4002).

(b) REQUIREMENTS.—The program established under subsection (a) shall—

(1) be similar to the program of the Administration for registering franchise companies, as in effect on the date of enactment of this Act; and

(2) require that a list of the export management companies and export trading companies that register under the program, categorized by the type of product exported by the company, be made available on the website of the Administration.

SEC. 309. REVERSE TRADE MISSIONS.

Section 22(c) of the Small Business Act (15 U.S.C. 649(c)) is amended—

(1) in paragraph (12), by striking ''and'' at the end;

(2) in paragraph (13), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(14) in coordination with other relevant Federal agencies, encourage the participation of employees and resource partners of the Administration in reverse trade missions hosted or sponsored by the Federal Government.''.

SEC. 310. STATE TRADE AND EXPORT PROMOTION GRANT PROGRAM.

Section 1207(a)(5) of the Small Business Jobs Act of 2010 (15 U.S.C. 649b note) is amended by inserting after ''Guam,'' the following: ''the Commonwealth of the Northern Mariana Islands,''.

SEC. 311. PROMOTION OF INTERAGENCY DETAILS.

It is the sense of Congress that the Administrator should periodically detail staff of the Administration to other Federal agencies that are members of the Trade Promotion Coordinating Committee, to facilitate the cross training of the staff of the Administration on the export assistance programs of such other agencies.

SEC. 312. ANNUAL EXPORT STRATEGY.

Section 22 of the Small Business Act (15 U.S.C. 649), as amended by section 305 of this Act, is amended by adding at the end the following:

''(m) SMALL BUSINESS TRADE STRATEGY.—

''(1) DEVELOPMENT OF SMALL BUSINESS TRADE STRATEGY.—The Associate Administrator shall develop and maintain a small business trade strategy that is included in the report on the governmentwide strategic plan for Federal trade promotion required to be submitted to Congress by the Trade Promotion Coordinating Committee under section 2312(f)(1) of the Export Enhancement Act of 1988 (15 U.S.C. 4727(f)(1)) that includes, at a minimum—

''(A) strategies to increase export opportunities for small business concerns, including a specific strategy to increase opportunities for small business concerns that are new to exporting;

''(B) recommendations to increase the competitiveness in the global economy of small business concerns in the United States that are part of industries in which small business concerns account for a high proportion of participating businesses;

''(C) recommendations to protect small business concerns from unfair trade practices, including intellectual property violations;

''(D) recommendations for strategies to promote and facilitate opportunities in the foreign markets that are most accessible for small business concerns that are new to exporting; and

''(E) strategies to expand the representation of small business concerns in the formation and implementation of United States trade policy.

''(2) ANNUAL REPORT TO CONGRESS.—At the beginning of each fiscal year, the Associate Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the small business trade strategy required under paragraph (1), which shall contain, at a minimum—

''(A) a description of each strategy and recommendation described in paragraph (1);

''(B) specific policies and objectives, together with timelines for the implementation of such policies and objectives; and

''(C) a description of the progress of the Administration in implementing the strategies and recommendations contained in the report submitted for the preceding fiscal year.''.

TITLE IV—ACCESS TO MENTORING, EDUCATION, AND STRATEGIC PARTNERSHIPS

Subtitle A—Measuring the Effectiveness of Resource Partners

SEC. 411. EXPANDING ENTREPRENEURSHIP.

Section 4 of the Small Business Act (15 U.S.C. 633), as amended by this Act, is amended by adding at the end the following:

''(h) MANAGEMENT AND DIRECTION.—

''(1) PLAN FOR ENTREPRENEURIAL DEVELOPMENT AND JOB CREATION STRATEGY.—

''(A) PLAN REQUIRED.—The Administrator, in consultation with a representative from each entrepreneurial development program of the Administration, shall develop and submit to Congress a plan for using the entrepreneurial development programs of the Administration to create jobs during fiscal years 2013 and 2014.

''(B) CONTENTS OF PLAN.—The plan required under subparagraph (A) shall—

''(i) include the plan of the Administrator for using existing programs, including small business development centers, women's business centers, the Service Corps of Retired Executives authorized by section 8(b)(1), Veterans Business Outreach Centers, and programs of the Office of Native American Affairs, to create jobs;

''(ii) identify a strategy for each region of the Administration to use programs of the Administration to create or retain jobs in the region; and

''(iii) establish performance measures and criteria, including goals for job creation, job retention, and job retraining, to evaluate the success of the plan.

''(2) DATA COLLECTION PROCESS.—

''(A) IN GENERAL.—The Administrator shall, after notice and opportunity for comment, promulgate a rule to develop and implement a consistent data collection process for the entrepreneurial development programs.

''(B) CONTENTS.—The data collection process developed under subparagraph (A) shall collect data relating to job creation and performance and any other data determined appropriate by the Administrator.

''(3) COORDINATION AND ALIGNMENT OF SBA ENTREPRENEURIAL DEVELOPMENT PROGRAMS.—The Administrator, in consultation with other Federal departments and agencies as the Administrator determines is appropriate, shall submit an annual report to Congress describing opportunities to foster coordination of, limit duplication among, and improve program delivery for Federal entrepreneurial development programs.

''(4) DATABASE OF ENTREPRENEURIAL DEVELOPMENT SERVICE PROVIDERS.—

''(A) ESTABLISHMENT.—After providing a period of 60 days for public comment, the Administrator shall—

''(i) establish a database of providers of entrepreneurial development services; and

''(ii) make the database available through the website of the Administration.

''(B) SEARCHABILITY.—The database established under subparagraph (A) shall be searchable by industry, geographic location, and service required.

''(5) COMMUNITY SPECIALIST.—

''(A) DESIGNATION.—The Administrator shall designate not fewer than 1 staff member in each district office of the Administration as a community specialist whose full-time responsibility is working with local providers of entrepreneurial development services to increase coordination with Federal entrepreneurial development programs.

''(B) PERFORMANCE.—The Administrator shall develop benchmarks for measuring the performance of community specialists under this paragraph.''.

Subtitle B—Women's Small Business Ownership

SEC. 421. SHORT TITLE.

This subtitle may be cited as the ''Women's Small Business Ownership Act of 2012''.

SEC. 422. DEFINITION.

In this subtitle, the term ''Administrator'' means the Administrator of the Small Business Administration.

SEC. 423. OFFICE OF WOMEN'S BUSINESS OWNERSHIP.

(a) IN GENERAL.—Section 29(g) of the Small Business Act (15 U.S.C. 656(g)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B)—

(i) in clause (i), by striking ''in the areas'' and all that follows through the end of subclause (I), and inserting the following: ''to address issues concerning the management, operations, manufacturing, technology, finance, retail and product sales, international trade, Government contracting, and other disciplines required for—

''(I) starting, operating, and increasing the business of a small business concern;''; and

(ii) in clause (ii), by striking ''Women's Business Center program'' each place that term appears and inserting ''women's business center program''; and

(B) in subparagraph (C), by inserting before the period at the end the following: '', the National Women's Business Council, and any association of women's business centers''; and

(2) by adding at the end the following:

''(3) TRAINING.—The Administrator may provide annual programmatic and financial examination training for women's business ownership representatives and district office technical representatives of the Administration to enable representatives to carry out their responsibilities.

''(4) PROGRAM AND TRANSPARENCY IMPROVEMENTS.—The Administrator shall maximize the transparency of the women's business center financial assistance proposal process and the programmatic and financial examination process by—

''(A) providing public notice of any announcement for financial assistance under subsection (b) or a grant under subsection (l) not later than the end of the first quarter of each fiscal year;

''(B) in the announcement described in subparagraph (A), outlining award and program evaluation criteria and describing the weighting of the criteria for financial assistance under subsection (b) and grants under subsection (l);

''(C) minimizing paperwork and reporting requirements for applicants for and recipients of financial assistance under this section;

''(D) standardizing the programmatic and financial examination process; and

''(E) providing to each women's business center, not later than 60 days after the completion of a site visit to the women's business center (whether conducted for an audit, performance review, or other reason), a copy of any site visit reports or evaluation reports prepared by district office technical representatives or officers or employees of the Administration.''.

(b) CHANGE OF TITLE.—

(1) IN GENERAL.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(A) in subsection (a)—

(i) by striking paragraphs (1) and (4);

(ii) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively; and

(iii) by inserting before paragraph (4), as so redesignated, the following:

''(2) the term 'Director' means the Director of the Office of Women's Business Ownership established under subsection (g);'';

(B) by striking ''Assistant Administrator'' each place that term appears and inserting ''Director''; and

(C) in subsection (g)(2), in the paragraph heading, by striking ''ASSISTANT ADMINISTRATOR'' and inserting ''DIRECTOR''.

(2) WOMEN'S BUSINESS OWNERSHIP ACT OF 1988.—Title IV of the Women's Business Ownership Act of 1988 (15 U.S.C. 7101 et seq.) is amended—

(A) in section 403(a)(2)(B), by striking ''Assistant Administrator'' and inserting ''Director'';

(B) in section 405, by striking ''Assistant Administrator'' and inserting ''Director''; and

(C) in section 406(c), by striking ''Assistant Administrator'' and inserting ''Director''.

SEC. 424. WOMEN'S BUSINESS CENTER PROGRAM.

(a) WOMEN'S BUSINESS CENTER FINANCIAL ASSISTANCE.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(1) in subsection (a), as amended by section 423(b) of this Act—

(A) by inserting before paragraph (2) the following:

''(1) the term 'association of women's business centers' means an organization—

''(A) that represents not less than 51 percent of the women's business centers that participate in a program under this section; and

''(B) whose primary purpose is to represent women's business centers;'';

(B) by inserting after paragraph (2) the following:

''(3) the term 'eligible entity' means—

''(A) a private nonprofit organization;

''(B) a State, regional, or local economic development organization;

''(C) a development, credit, or finance corporation chartered by a State;

''(D) a junior or community college, as defined in section 312(f) of the Higher Education Act of 1965 (20 U.S.C. 1058(f)); or

''(E) any combination of entities listed in subparagraphs (A) through (D);''; and

(C) by adding after paragraph (5) the following:

''(6) the term 'women's business center' means a project conducted by an eligible entity under this section.'';

(2) in subsection (b)—

(A) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), and adjusting the margins accordingly;

(B) by striking ''The Administration'' and all that follows through ''5-year projects'' and inserting the following:

''(1) IN GENERAL.—The Administration may provide financial assistance to an eligible entity to conduct a project under this section'';

(C) by striking ''The projects shall'' and inserting the following:

''(2) USE OF FUNDS.—The project shall be designed to provide training and counseling that meets the needs of women, especially socially and economically disadvantaged women, and shall''; and

(D) by adding at the end the following:

''(3) AMOUNT OF FINANCIAL ASSISTANCE.—

''(A) IN GENERAL.—The Administrator may award financial assistance under this subsection of not less than $100,000 and not more than $150,000 per year.

''(B) LOWER AMOUNT.—The Administrator may award financial assistance under this subsection to a recipient in an amount that is less than $100,000 if the Administrator determines that the recipient is unable to make a non-Federal contribution of $100,000 or more, as required under subsection (c).

''(C) EQUAL ALLOCATIONS.—If the Administration has insufficient funds to provide financial assistance of not less than $100,000 for each recipient of financial assistance under this subsection in any fiscal year, the Administrator shall provide an equal amount of financial assistance to each recipient in the fiscal year, unless a recipient requests a lower amount than the allocated amount.

''(4) CONSULTATION WITH ASSOCIATIONS OF WOMEN'S BUSINESS CENTERS.—The Administrator shall consult with each association of women's business centers to develop—

''(A) a training program for the staff of women's business centers and the Administration; and

''(B) recommendations to improve the policies and procedures for governing the general operations and administration of the women's business center program, including grant program improvements under subsection (g)(4).'';

(3) in subsection (c)—

(A) in paragraph (1) by striking ''the recipient organization'' and inserting ''an eligible entity'';

(B) in paragraph (3), in the second sentence, by striking ''a recipient organization'' and inserting ''an eligible entity'';

(C) in paragraph (4)—

(i) by striking ''recipient of assistance'' and inserting ''eligible entity'';

(ii) by striking ''such organization'' and inserting ''the eligible entity''; and

(iii) by striking ''recipient'' and inserting ''eligible entity''; and

(D) in paragraph (5)—

(i) in subparagraph (A), by striking ''a recipient organization'' and inserting ''an eligible entity''; and

(ii) by striking ''the recipient organization'' each place it appears and inserting ''the eligible entity''; and

(E) by adding at end the following:

''(6) SEPARATION OF PROJECT AND FUNDS.—An eligible entity shall—

''(A) carry out a project under this section separately from other projects, if any, of the eligible entity; and

''(B) separately maintain and account for any financial assistance under this section.'';

(4) in subsection (e)—

(A) by striking ''applicant organization'' and inserting ''eligible entity'';

(B) by striking ''a recipient organization'' and inserting ''an eligible entity''; and

(C) by striking ''site'';

(5) by striking subsection (f) and inserting the following:

''(f) APPLICATIONS AND CRITERIA FOR INITIAL FINANCIAL ASSISTANCE.—

''(1) APPLICATION.—Each eligible entity desiring financial assistance under subsection (b) shall submit to the Administrator an application that contains—

''(A) a certification that the eligible entity—

''(i) has designated an executive director or program manager, who may be compensated using financial assistance under subsection (b) or other sources, to manage the center on a full-time basis;

''(ii) as a condition of receiving financial assistance under subsection (b), agrees—

''(I) to receive a site visit by the Administrator as part of the final selection process;

''(II) to undergo an annual programmatic and financial examination; and

''(III) to the maximum extent practicable, to remedy any problems identified pursuant to the site visit or examination under subclause (I) or (II); and

''(iii) meets the accounting and reporting requirements established by the Director of the Office of Management and Budget;

''(B) information demonstrating that the eligible entity has the ability and resources to meet the needs of the market to be served by the women's business center for which financial assistance under subsection (b) is sought, including the ability to obtain the non-Federal contribution required under subsection (c);

''(C) information relating to the assistance to be provided by the women's business center for which financial assistance under subsection (b) is sought in the area in which the women's business center is located;

''(D) information demonstrating the experience and effectiveness of the eligible entity in—

''(i) conducting financial, management, and marketing assistance programs, as described in subsection (b)(2), which are designed to teach or upgrade the business skills of women who are business owners or potential business owners;

''(ii) providing training and services to a representative number of women who are socially and economically disadvantaged; and

''(iii) working with resource partners of the Administration and other entities, such as universities; and

''(E) a 5-year plan that describes the ability of the women's business center for which financial assistance is sought—

''(i) to serve women who are business owners or potential business owners by conducting training and counseling activities; and

''(ii) to provide training and services to a representative number of women who are socially and economically disadvantaged.

''(2) ADDITIONAL INFORMATION.—The Administrator shall make any request for additional information from an organization applying for financial assistance under subsection (b) that was not requested in the original announcement in writing.

''(3) REVIEW AND APPROVAL OF APPLICATIONS FOR INITIAL FINANCIAL ASSISTANCE.—

''(A) IN GENERAL.—The Administrator shall—

''(i) review each application submitted under paragraph (1), based on the information described in such paragraph and the criteria set forth under subparagraph (B) of this paragraph; and

''(ii) to the extent practicable, as part of the final selection process, conduct a site visit to each women's business center for which financial assistance under subsection (b) is sought.

''(B) SELECTION CRITERIA.—

''(i) IN GENERAL.—The Administrator shall evaluate applicants for financial assistance under subsection (b) in accordance with selection criteria that are—

''(I) established before the date on which applicants are required to submit the applications;

''(II) stated in terms of relative importance; and

''(III) publicly available and stated in each solicitation for applications for financial assistance under subsection (b) made by the Administrator.

''(ii) REQUIRED CRITERIA.—The selection criteria for financial assistance under subsection (b) shall include—

''(I) the experience of the applicant in conducting programs or ongoing efforts designed to teach or enhance the business skills of women who are business owners or potential business owners;

''(II) the ability of the applicant to begin a project within a minimum amount of time;

''(III) the ability of the applicant to provide training and services to a representative number of women who are socially and economically disadvantaged; and

''(IV) the location for the women's business center proposed by the applicant, including whether the applicant is located in a State in which there is not a women's business center receiving funding from the Administration.

''(C) PROXIMITY.—If the principal place of business of an applicant for financial assistance under subsection (b) is located less than 50 miles from the principal place of business of a women's business center that received funds under this section on or before the date of the application, the applicant shall not be eligible for the financial assistance, unless the applicant submits a detailed written justification of the need for an additional center in the area in which the applicant is located.

''(D) RECORD RETENTION.—The Administrator shall maintain a copy of each application submitted under this subsection for not less than 7 years.''; and

(6) in subsection (m)—

(A) by striking paragraph (3) and inserting the following:

''(3) APPLICATION AND APPROVAL FOR RENEWAL GRANTS.—

''(A) SOLICITATION OF APPLICATIONS.—The Administrator shall solicit applications and award grants under this subsection for the first fiscal year beginning after the date of enactment of the Women's Small Business Ownership Act of 2012, and every third fiscal year thereafter.

''(B) CONTENTS OF APPLICATION.—Each eligible entity desiring a grant under this subsection shall submit to the Administrator an application that contains—

''(i) a certification that the applicant—

''(I) is an eligible entity;

''(II) has designated a full-time executive director or program manager to manage the women's business center operated by the applicant; and

''(III) as a condition of receiving a grant under this subsection, agrees—

''(aa) to receive a site visit as part of the final selection process;

''(bb) to submit, for the 2 full fiscal years before the date on which the application is submitted, annual programmatic and financial examination reports or certified copies of the compliance supplemental audits under OMB Circular A–133 of the applicant; and

''(cc) to remedy any problem identified pursuant to the site visit or examination under item (aa) or (bb);

''(ii) information demonstrating that the applicant has the ability and resources to meet the needs of the market to be served by the women's business center for which a grant under this subsection is sought, including the ability to obtain the non-Federal contribution required under paragraph (4)(C);

''(iii) information relating to assistance to be provided by the women's business center in the area served by the women's business center for which a grant under this subsection is sought;

''(iv) information demonstrating that the applicant has worked with resource partners of the Administration and other entities;

''(v) a 3-year plan that describes the ability of the women's business center for which a grant under this subsection is sought—

''(I) to serve women who are business owners or potential business owners by conducting training and counseling activities; and

''(II) to provide training and services to a representative number of women who are socially and economically disadvantaged; and

''(vi) any additional information that the Administrator may reasonably require.

''(C) REVIEW AND APPROVAL OF APPLICATIONS FOR GRANTS.—

''(i) IN GENERAL.—The Administrator shall—

''(I) review each application submitted under subparagraph (B), based on the information described in such subparagraph and the criteria set forth under clause (ii) of this subparagraph; and

''(II) whenever practicable, as part of the final selection process, conduct a site visit to each women's business center for which a grant under this subsection is sought.

''(ii) SELECTION CRITERIA.—

''(I) IN GENERAL.—The Administrator shall evaluate applicants for grants under this subsection in accordance with selection criteria that are—

''(aa) established before the date on which applicants are required to submit the applications;

''(bb) stated in terms of relative importance; and

''(cc) publicly available and stated in each solicitation for applications for grants under this subsection made by the Administrator.

''(II) REQUIRED CRITERIA.—The selection criteria for a grant under this subsection shall include—

''(aa) the total number of entrepreneurs served by the applicant;

''(bb) the total number of new startup companies assisted by the applicant;

''(cc) the percentage of clients of the applicant that are socially or economically disadvantaged; and

''(dd) the percentage of individuals in the community served by the applicant who are socially or economically disadvantaged.

''(iii) CONDITIONS FOR CONTINUED FUNDING.—In determining whether to make a grant under this subsection, the Administrator—

''(I) shall consider the results of the most recent evaluation of the women's business center for which a grant under this subsection is sought, and, to a lesser extent, previous evaluations; and

''(II) may withhold a grant under this subsection, if the Administrator determines that the applicant has failed to provide the information required to be provided under this paragraph, or the information provided by the applicant is inadequate.

''(D) NOTIFICATION.—Not later than 60 days after the date of each deadline to submit applications, the Administrator shall approve or deny any application under this paragraph and notify the applicant for each such application of the approval or denial.

''(E) RECORD RETENTION.—The Administrator shall maintain a copy of each application submitted under this paragraph for not less than 7 years.''; and

(B) by striking paragraph (5) and inserting the following:

''(5) AWARD TO PREVIOUS RECIPIENTS.—There shall be no limitation on the number of times the Administrator may award a grant to an applicant under this subsection.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(A) in subsection (h)(2), by striking ''to award a contract (as a sustainability grant) under subsection (l) or'';

(B) in subsection (j)(1), by striking ''The Administration'' and inserting ''Not later than November 1 of each year, the Administrator'';

(C) in subsection (k)—

(i) by striking paragraphs (1), (2), and (4);

(ii) by redesignating paragraph (3) as paragraph (4); and

(iii) by inserting before paragraph (4), as so redesignated, the following:

''(1) IN GENERAL.—There are authorized to be appropriated to the Administration to carry out this section, to remain available until expended, $14,500,000 for each of fiscal years 2013, 2014, and 2015.

''(2) USE OF FUNDS.—Amounts made available under this subsection may only be used for grant awards and may not be used for costs incurred by the Administration in connection with the management and administration of the program under this section.

''(3) CONTINUING GRANT AND COOPERATIVE AGREEMENT AUTHORITY.—

''(A) PROMPT DISBURSEMENT.—Upon receiving funds to carry out this section for a fiscal year, the Administrator shall, to the extent practicable, promptly reimburse funds to any women's business center awarded financial assistance under this section if the center meets the eligibility requirements under this section.

''(B) SUSPENSION OR TERMINATION.—If the Administrator has entered into a grant or cooperative agreement with a women's business center under this section, the Administrator may not suspend or terminate the grant or cooperative agreement, unless the Administrator—

''(i) provides the women's business center with written notification setting forth the reasons for that action; and

''(ii) affords the women's business center an opportunity for a hearing, appeal, or other administrative proceeding under chapter 5 of title 5, United States Code.'';

(D) in subsection (m)—

(i) in paragraph (2), by striking ''subsection (b) or (l)'' and inserting ''this subsection or subsection (b)''; and

(ii) in paragraph (4)(D), by striking ''or subsection (l)''; and

(E) by redesignating subsections (m) and (n), as amended by this Act, as subsections (l) and (m), respectively.

(2) PROSPECTIVE REPEAL.—Section 1401(c)(2) of the Small Business Jobs Act of 2010 (15 U.S.C. 636 note) is amended—

(A) in subparagraph (A), by striking ''and'' at the end;

(B) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(C) by redesignating paragraph (6), as added by section 424(a)(3)(E) of the Women's Small Business Ownership Act of 2012, as paragraph (5).''.

(c) EFFECT ON EXISTING GRANTS.—

(1) TERMS AND CONDITIONS.—A nonprofit organization receiving a grant under section 29(m) of the Small Business Act (15 U.S.C. 656(m)), as in effect on the day before the date of enactment of this Act, shall continue to receive the grant under the terms and conditions in effect for the grant on the day before the date of enactment of this Act, except that the nonprofit organization may not apply for a renewal of the grant under section 29(m)(5) of the Small Business Act (15 U.S.C. 656(m)(5)), as in effect on the day before the date of enactment of this Act.

(2) LENGTH OF RENEWAL GRANT.—The Administrator may award a grant under section 29(l) of the Small Business Act, as so redesignated by subsection (b)(1)(E) of this section, to a nonprofit organization receiving a grant under section 29(m) of the Small Business Act (15 U.S.C. 656(m)), as in effect on the day before the date of enactment of this Act, for the period—

(A) beginning on the day after the last day of the grant agreement under such section 29(m); and

(B) ending at the end of the third fiscal year beginning after the date of enactment of this Act.

SEC. 425. STUDY AND REPORT ON ECONOMIC ISSUES FACING WOMEN'S BUSINESS CENTERS.

(a) STUDY.—The Comptroller General of the United States shall conduct a broad study of the unique economic issues facing women's business centers located in covered areas to identify—

(1) the difficulties such centers face in raising non-Federal funds;

(2) the difficulties such centers face in competing for financial assistance, non-Federal funds, or other types of assistance;

(3) the difficulties such centers face in writing grant proposals; and

(4) other difficulties such centers face because of the economy in the type of covered area in which such centers are located.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to Congress a report containing the results of the study under subsection (a), which shall include recommendations, if any, regarding how to—

(1) address the unique difficulties women's business centers located in covered areas face because of the type of covered area in which such centers are located;

(2) expand the presence of, and increase the services provided by, women's business centers located in covered areas; and

(3) best use technology and other resources to better serve women business owners located in covered areas.

(c) DEFINITION OF COVERED AREA.—In this section, the term ''covered area'' means—

(1) any State that is predominantly rural, as determined by the Administrator;

(2) any State that is predominantly urban, as determined by the Administrator; and

(3) any State or territory that is an island.

SEC. 426. STUDY AND REPORT ON OVERSIGHT OF WOMEN'S BUSINESS CENTERS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study of the oversight of women's business centers by the Administrator, which shall include—

(1) an analysis of the coordination by the Administrator of the activities of women's business centers with the activities of small business development centers, the Service Corps of Retired Executives, and Veterans Business Outreach Centers;

(2) a comparison of the types of individuals and small business concerns served by women's business centers and the types of individuals and small business concerns served by small business development centers, the Service Corps of Retired Executives, and Veterans Business Outreach Centers; and

(3) an analysis of performance data for women's business centers that evaluates how well women's business centers are carrying out the mission of women's business centers and serving individuals and small business concerns.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to Congress a report containing the results of the study under subsection (a), which shall include recommendations, if any, for eliminating the duplication of services provided by women's business centers, small business development centers, the Service Corps of Retired Executives, and Veterans Business Outreach Centers.

Subtitle C—Strengthening America's Small Business Development Centers

SEC. 431. INSTITUTIONS OF HIGHER EDUCATION.

Section 21 of the Small Business Act (15 U.S.C. 648) is amended—

(1) in subsection (a)(1), by striking '': *Provided,* That'' and all that follows through ''on such date.'' and inserting the following: ''. On and after December 31, 2013, the Administrator may only make a grant under this paragraph to an applicant that is an institution of higher education, as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), that is accredited (and not merely in preaccreditation status) by a nationally recognized accrediting agency or association recognized by the Secretary of Education for such purpose in accordance with section 496 of that Act (20 U.S.C. 1099b).''; and

(2) in subsection (c)(3)(K), by inserting ''public and private institutions of higher education (including universities, community colleges, and junior colleges),'' before ''local and regional private consultants''.

SEC. 432. UPDATING FUNDING LEVELS FOR SMALL BUSINESS DEVELOPMENT CENTERS.

(a) MINIMUM FUNDING LEVELS.—Section 21(a)(4)(C) of the Small Business Act (15 U.S.C. 648(a)(4)(C)) is amended—

(1) in clause (iii)—

(A) by striking ''$90,000,000'' each place that term appears and inserting ''$98,500,000'';

(B) by striking ''$81,500,000'' each place that term appears and inserting ''$90,000,000''; and

(C) by striking ''$500,000'' each place that term appears and inserting ''$600,000'';

(2) in clause (v)(II), by striking ''if the usage'' and all that follows through the end of the subclause and inserting a period; and

(3) in clause (v), by striking subclause (I) and inserting the following:

''(I) IN GENERAL.—Of the amounts made available in any fiscal year to carry out this section—

''(aa) not more than $50,000 may be used by the Administration to pay the expenses enumerated in subparagraph (B) of section 20(a)(1);

''(bb) not more than $500,000 may be used by the Administration to pay the expenses enumerated in subparagraph (C) of section 20(a)(1); and

''(cc) not more than $250,000 may be used by the Administration to pay the expenses enumerated in subparagraph (D) of section 20(a)(1).''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 21(a)(4)(C)(vii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(vii)) is amended to read as follows:

''(vii) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subparagraph—

''(I) $135,000,000 for fiscal year 2013;

''(II) $135,000,000 for fiscal year 2014; and

''(III) $135,000,000 for fiscal year 2015.''.

SEC. 433. ASSISTANCE TO OUT-OF-STATE SMALL BUSINESSES.

Section 21(b)(3) of the Small Business Act (15 U.S.C. 648(b)(3)) is amended—

(1) by striking ''(3) At the discretion'' and inserting the following:

''(3) ASSISTANCE TO OUT-OF-STATE SMALL BUSINESSES.—

''(A) IN GENERAL.—At the discretion''; and

(2) by adding at the end the following:

''(B) DISASTER RECOVERY ASSISTANCE.—

''(i) IN GENERAL.—At the discretion of the Administrator, the Administrator may authorize a small business development center to provide assistance, as described in subsection (c), to small business concerns located outside of the State, without regard to geographic proximity, if the small business concerns are located in an area for which the President has declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), during the period of the declaration.

''(ii) CONTINUITY OF SERVICES.—A small business development center that provides counselors to an area described in clause (i) shall, to the maximum extent practicable, ensure continuity of services in any State in which the small business development center otherwise provides services.

''(iii) ACCESS TO DISASTER RECOVERY FACILITIES.—For purposes of this subparagraph, the Administrator shall, to the maximum extent practicable, permit the personnel of a small business development center to use any site or facility designated by the Administrator for use to provide disaster recovery assistance.''.

SEC. 434. TERMINATION OF SMALL BUSINESS DEVELOPMENT CENTER DEFENSE ECONOMIC TRANSITION ASSISTANCE.

(a) IN GENERAL.—Section 21(c)(3) of the Small Business Act (15 U.S.C. 648(c)(3)) is amended—

(1) by striking subparagraph (G); and

(2) by redesignating subparagraphs (H) through (T) as subparagraphs (G) through (S), respectively.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) in paragraph (4)(C)(vi), by striking ''or (c)(3)(G)''; and

(2) in paragraph (6), by striking ''subparagraphs (B) through (G) of subsection (c)(3)'' and inserting ''subparagraphs (B) through (F) of subsection (c)(3)''.

(c) EXISTING GRANTS.—Nothing in this section shall affect any grant made to a small business development center before the date of enactment of this Act under section 21(c)(3)(G) of the Small Business Act (15 U.S.C. 648(c)(3)(G)), as in effect on the day before the date of enactment of this Act, and any such grant shall be subject to such section 21(c)(3)(G), as in effect on the day before the date of enactment of this Act.

SEC. 435. NATIONAL SMALL BUSINESS DEVELOPMENT CENTER ADVISORY BOARD.

(a) IN GENERAL.—Section 21(i)(1) of the Small Business Act (15 U.S.C. 648(i)(1)) is amended—

(1) in the first sentence, by striking ''nine members'' and inserting ''10 members'';

(2) in the second sentence, by striking ''six'' and inserting ''the members who are not from universities or their affiliates'';

(3) by striking the third sentence; and

(4) in the fourth sentence—

(A) by striking ''Succeeding Boards'' and inserting ''The members of the Board''; and

(B) by inserting ''not less than'' before ''one-third''.

(b) INCUMBENTS.—An individual serving as a member of the National Small Business Development Center Advisory Board on the date of enactment of this Act may continue to serve on the Board until the end of the term of the member under section 21(i)(1) of the Small Business Act (15 U.S.C. 648(i)(1)), as in effect on the day before such date of enactment.

SEC. 436. REPEAL OF PAUL D. COVERDELL DRUG-FREE WORKPLACE PROGRAM.

Section 27 of the Small Business Act (15 U.S.C. 654) is repealed.

Subtitle D—Terminating the National Veterans Business Development Corporation

SEC. 441. NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION.

(a) IN GENERAL.—The Small Business Act (15 U.S.C. 631 et seq.) is amended by striking section 33 (15 U.S.C. 657c).

(b) CORPORATION.—On and after the date of enactment of this Act, the National Veterans Business Development Corporation and any successor thereto may not represent that the corporation is federally chartered or in any other manner authorized by the Federal Government.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) SMALL BUSINESS ACT.—The Small Business Act (15 U.S.C. 631 et seq.), as amended by this section, is amended—

(A) by redesignating sections 34 through 45 as sections 33 through 44, respectively;

(B) in section 9(k)(1)(D) (15 U.S.C. 638(k)(1)(D)), by striking ''section 34(d)'' and inserting ''section 33(d)'';

(C) in section 33 (15 U.S.C. 657d), as so redesignated—

(i) by striking ''section 35'' each place it appears and inserting ''section 34'';

(ii) in subsection (a)—

(I) in paragraph (2), by striking ''section 35(c)(2)(B)'' and inserting ''section 34(c)(2)(B)'';

(II) in paragraph (4), by striking ''section 35(c)(2)'' and inserting ''section 34(c)(2)''; and

(III) in paragraph (5), by striking ''section 35(c)'' and inserting ''section 34(c)''; and

(iii) in subsection (h)(2), by striking ''section 35(d)'' and inserting ''section 34(d)'';

(D) in section 34 (15 U.S.C. 657e), as so redesignated—

(i) by striking ''section 34'' each place it appears and inserting ''section 33''; and

(ii) in subsection (c)(1), by striking section ''34(c)(1)(E)(ii)'' and inserting section ''33(c)(1)(E)(ii)'';

(E) in section 36(d) (15 U.S.C. 657i(d)), as so redesignated, by striking ''section 43'' and inserting ''section 42'';

(F) in section 39(d) (15 U.S.C. 657l(d)), as so redesignated, by striking ''section 43'' and inserting ''section 42''; and

(G) in section 40(b) (15 U.S.C. 657m(b)), as so redesignated, by striking ''section 43'' and inserting ''section 42''.

(2) TITLE 10.—Section 1142(b)(13) of title 10, United States Code, is amended by striking ''and the National Veterans Business Development Corporation''.

(3) TITLE 38.—Section 3452(h) of title 38, United States Code, is amended by striking ''any of the'' and all that follows and inserting ''any small business development center described in section 21 of the Small Business Act (15 U.S.C. 648), insofar as such center offers, sponsors, or cosponsors an entrepreneurship course, as that term is defined in section 3675(c)(2).''.

(4) FOOD, CONSERVATION, AND ENERGY ACT OF 2008.—Section 12072(c)(2) of the Food, Conservation, and Energy Act of 2008 (15 U.S.C. 636g(c)(2)) is amended by striking ''section 43 of the Small Business Act, as added by this Act'' and inserting ''section 42 of the Small Business Act (15 U.S.C. 657o)''.

(5) VETERANS ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT ACT OF 1999.—Section 203(c)(5) of the Veterans Entrepreneurship and Small Business Development Act of 1999 (15 U.S.C. 657b note) is amended by striking ''In cooperation with the National Veterans Business Development Corporation, develop'' and inserting ''Develop''.

TITLE V—ACCESS TO GOVERNMENT CONTRACTING

Subtitle A—Bonds

SEC. 511. REMOVAL OF SUNSET DATES FOR CERTAIN PROVISIONS OF THE SMALL BUSINESS INVESTMENT ACT OF 1958.

(a) MAXIMUM BOND AMOUNT.—Section 411(a)(1) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(a)(1)) is amended by striking ''does not exceed'' and all that follows and inserting ''does not exceed $5,000,000.''.

(b) DENIAL OF LIABILITY.—Section 411(e)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(e)(2)) is amended by striking ''bonds exceeds'' and all that follows and inserting ''bonds exceeds $5,000,000,''.

Subtitle B—Small Business Contracting Fraud Prevention

SEC. 521. SHORT TITLE.

This subtitle may be cited as the ''Small Business Contracting Fraud Prevention Act of 2012''.

SEC. 522. DEFINITIONS.

In this subtitle—

(1) the term ''8(a) program'' means the program under section 8(a) of the Small Business Act (15 U.S.C. 637(a));

(2) the terms ''Administration'' and ''Administrator'' mean the Small Business Administration and the Administrator thereof, respectively;

(3) the terms ''HUBZone'' and ''HUBZone small business concern'' and ''HUBZone map'' have the meanings given those terms in section 3(p) of the Small Business Act (15 U.S.C. 632(p)), as amended by this Act; and

(4) the term ''recertification'' means a determination by the Administrator that a business concern that was previously determined to be a qualified HUBZone small business concern is a qualified HUBZone small business concern under section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)).

SEC. 523. FRAUD DETERRENCE AT THE SMALL BUSINESS ADMINISTRATION.

Section 16 of the Small Business Act (15 U.S.C. 645) is amended—

(1) in subsection (d)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ''Whoever'' and all that follows through ''oneself or another'' and inserting the following: ''A person shall be subject to the penalties and remedies described in paragraph (2) if the person misrepresents the status of any concern or person as a small business concern, a qualified HUBZone small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, a small business concern owned and controlled by women, or a small business concern owned and controlled by service-disabled veterans, in order to obtain for any person'';

(ii) by amending subparagraph (A) to read as follows:

''(A) prime contract, subcontract, grant, or cooperative agreement to be awarded under subsection (a) or (m) of section 8, or section 9, 15, 31, or 35;'';

(iii) by striking subparagraph (B);

(iv) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(v) in subparagraph (C), as so redesignated, by striking '', shall be'' and all that follows and inserting a period;

(B) in paragraph (2)—

(i) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(ii) by inserting after subparagraph (B) the following:

''(C) be subject to the civil remedies under subchapter III of chapter 37 of title 31, United States Code (commonly known as the 'False Claims Act');''; and

(C) by adding at the end the following:

''(3)(A) In the case of a violation of paragraph (1)(A) or subsection (g) or (h), for purposes of a proceeding described in subparagraph (A) or (C) of paragraph (2), the amount of the loss to the Federal Government or the damages sustained by the Federal Government, as applicable, shall be an amount equal to the amount that the Federal Government paid to the person that received a contract, grant, or cooperative agreement described in paragraph (1)(A), (g), or (h), respectively.

''(B) In the case of a violation of subparagraph (B) or (C) of paragraph (1), for the purpose of a proceeding described in subparagraph (A) or (C) of paragraph (2), the amount of the loss to the Federal Government or the damages sustained by the Federal Government, as applicable, shall be an amount equal to the portion of any payment by the Federal Government under a prime contract that was used for a subcontract described in subparagraph (B) or (C) of paragraph (1), respectively.

''(C) In a proceeding described in subparagraph (A) or (B), no credit shall be applied against any loss or damages to the Federal Government for the fair market value of the property or services provided to the Federal Government.'';

(2) by striking subsection (e) and inserting the following:

''(e) Any representation of the status of any concern or person as a small business concern, a HUBZone small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, a small business concern owned and controlled by women, or a small business concern owned and controlled by service-disabled veterans, in order to obtain any prime contract, subcontract, grant, or cooperative agreement described in subsection (d)(1) shall be made in writing or through the Online Representations and Certifications Application process required under section 4.1201 of the Federal Acquisition Regulation, or any successor thereto.''; and

(3) by adding at the end the following:

''(g) A person shall be subject to the penalties and remedies described in subsection (d)(2) if the person misrepresents the status of any concern or person as a small business concern, a qualified HUBZone small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, a small business concern owned and controlled by women, or a small business concern owned and controlled by service-disabled veterans—

''(1) in order to allow any person to participate in any program of the Administration; or

''(2) in relation to a protest of a contract award or proposed contract award made under regulations issued by the Administration.

''(h)(1) A person that submits a request for payment on a contract or subcontract that is awarded under subsection (a) or (m) of section 8, or section 9, 15, 31, or 35, shall be deemed to have submitted a certification that the person complied with regulations issued by the Administration governing the percentage of work that the person is required to perform on the contract or subcontract, unless the person states, in writing, that the person did not comply with the regulations.

''(2) A person shall be subject to the penalties and remedies described in subsection (d)(2) if the person—

''(A) uses the services of a business other than the business awarded the contract or subcontract to perform a greater percentage of work under a contract than is permitted by regulations issued by the Administration; or

''(B) willfully participates in a scheme to circumvent regulations issued by the Administration governing the percentage of work that a contractor is required to perform on a contract.''.

SEC. 524. VETERANS INTEGRITY IN CONTRACTING.

(a) DEFINITION.—Section 3(q)(1) of the Small Business Act (15 U.S.C. 632(q)(1)) is amended by striking ''means a veteran'' and all that follows and inserting the following: ''means—

''(A) a veteran with a service-connected disability rated by the Secretary of Veterans Affairs as zero percent or more disabling; or

''(B) a former member of the Armed Forces who is retired, separated, or placed on the temporary disability retired list for physical disability under chapter 61 of title 10, United States Code.''.

(b) VETERANS CONTRACTING.—Section 4 of the Small Business Act (15 U.S.C. 633), as amended by this Act, is amended by adding at the end the following:

''(i) VETERAN STATUS.—

''(1) IN GENERAL.—A business concern seeking status as a small business concern owned and controlled by service-disabled veterans shall—

''(A) submit an annual certification indicating that the business concern is a small business concern owned and controlled by service-disabled veterans by means of the Online Representations and Certifications Application process required under section 4.1201 of the Federal Acquisition Regulation, or any successor thereto; and

''(B) register with—

''(i) the Central Contractor Registration database maintained under subpart 4.11 of the Federal Acquisition Regulation, or any successor thereto; and

''(ii) the VetBiz database of the Department of Veterans Affairs, or any successor thereto.

''(2) VERIFICATION OF STATUS.—

''(A) VETERANS AFFAIRS.—The Secretary of Veterans Affairs shall determine whether a business concern registered with the VetBiz database of the Department of Veterans Affairs, or any successor thereto, as a small business concern owned and controlled by veterans or a small business concern owned and controlled by service-disabled veterans is owned and controlled by a veteran or a service-disabled veteran, as the case may be.

''(B) FEDERAL AGENCIES GENERALLY.—The head of each Federal agency shall—

''(i) for a sole source contract awarded to a small business concern owned and controlled by service-disabled veterans or a contract awarded with competition restricted to small business concerns owned and controlled by service-disabled veterans under section 35, determine whether a business concern submitting a proposal for the contract is a small business concern owned and controlled by service-disabled veterans; and

''(ii) use the VetBiz database of the Department of Veterans Affairs, or any successor thereto, in determining whether a business concern is a small business concern owned and controlled by service-disabled veterans.

''(3) DEBARMENT AND SUSPENSION.—If the Administrator determines that a business concern knowingly and willfully misrepresented that the business concern is a small business concern owned and controlled by service-disabled veterans, the Administrator may debar or suspend the business concern from contracting with the United States.''.

(c) INTEGRATION OF DATABASES.—The Administrator for Federal Procurement Policy and the Secretary of Veterans Affairs shall ensure that data is shared on an ongoing basis between the VetBiz database of the Department of Veterans Affairs and the Central Contractor Registration database maintained under subpart 4.11 of the Federal Acquisition Regulation.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (b) and the requirements under subsection (c) shall take effect on the date on which the Secretary of Veterans Affairs (referred to in this subsection as the ''Secretary'') publishes in the Federal Register a determination that the Department of Veterans Affairs has the necessary resources and capacity to carry out the additional responsibility of determining whether small business concerns registered with the VetBiz database of the Department of Veterans Affairs are owned and controlled by a veteran or a service-disabled veteran, as the case may be, in accordance with subsection (i) of section 4 of the Small Business Act (15 U.S.C. 633), as added by subsection (b).

(2) TIMELINE.—If the Secretary determines that the Secretary is not able to publish the determination under paragraph (1) before the date that is 1 year after the date of enactment of this Act, the Secretary shall, not later than 1 year after the date of enactment of this Act, submit a report containing an estimate of the date on which the Secretary will publish the determination under paragraph (1) to the Committee on Small Business and Entrepreneurship and the Committee on Veterans' Affairs of the Senate and the Committee on Small Business and the Committee on Veterans' Affairs of the House of Representatives.

SEC. 525. SECTION 8(a) PROGRAM IMPROVEMENTS.

(a) REVIEW OF EFFECTIVENESS.—Section 8(a) of the Small Business Act (15 U.S.C. 637(a)) is amended by adding at the end the following:

''(22) Not later than 3 years after the date of enactment of this paragraph, and every 3 years thereafter, the Comptroller General of the United States shall—

''(A) conduct an evaluation of the effectiveness of the program under this subsection, including an examination of—

''(i) the number and size of contracts applied for, as compared to the number received by, small business concerns after successfully completing the program;

''(ii) the percentage of small business concerns that continue to operate during the 3-year period beginning on the date on which the small business concerns successfully complete the program;

''(iii) whether the business of small business concerns increases during the 3-year period beginning on the date on which the small business concerns successfully complete the program; and

''(iv) the number of training sessions offered under the program; and

''(B) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding each evaluation under subparagraph (A).''.

(b) OTHER IMPROVEMENTS.—In order to improve the 8(a) program, the Administrator shall—

(1) not later than 90 days after the date of enactment of this Act, begin to—

(A) evaluate the feasibility of—

(i) using additional third-party data sources;

(ii) making unannounced visits of sites that are selected randomly or using risk-based criteria;

(iii) using fraud detection tools, including data-mining techniques; and

(iv) conducting financial and analytical training for the business opportunity specialists of the Administration;

(B) evaluate the feasibility and advisability of amending regulations applicable to the 8(a) program to require that calculations of the adjusted net worth or total assets of an individual include assets held by the spouse of the individual; and

(C) develop a more consistent enforcement strategy that includes the suspension or debarment of contractors that knowingly make misrepresentations in order to qualify for the 8(a) program; and

(2) not later than 1 year after the date on which the Comptroller General submits the report under section 8(a)(22)(B) of the Small Business Act, as added by subsection (c), issue, in final form, proposed regulations of the Administration that—

(A) determine the economic disadvantage of a participant in the 8(a) program based on the income and asset levels of the participant at the time of application and annual recertification for the 8(a) program; and

(B) limit the ability of a small business concern to participate in the 8(a) program if an immediate family member of an owner of the small business concern is, or has been, a participant in the 8(a) program, in the same industry.

SEC. 526. HUBZONE IMPROVEMENTS.

(a) PURPOSE.—The purpose of this section is to reform and improve the HUBZone program of the Administration.

(b) IN GENERAL.—The Administrator shall—

(1) ensure the HUBZone map is—

(A) accurate and up-to-date; and

(B) revised as new data is made available to maintain the accuracy and currency of the HUBZone map;

(2) implement policies for ensuring that only HUBZone small business concerns determined to be qualified under section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)) are participating in the HUBZone program, including through the appropriate use of technology to control costs and maximize, among other benefits, uniformity, completeness, simplicity, and efficiency;

(3) submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding any application to be designated as a HUBZone small business concern or for recertification for which the Administrator has not made a determination as of the date that is 60 days after the date on which the application was submitted or initiated, which shall include a plan and timetable for ensuring the timely processing of the applications; and

(4) develop measures and implement plans to assess the effectiveness of the HUBZone program that—

(A) require the identification of a baseline point in time to allow the assessment of economic development under the HUBZone program, including creating additional jobs; and

(B) take into account—

(i) the economic characteristics of the HUBZone; and

(ii) contracts being counted under multiple socioeconomic subcategories.

(c) EMPLOYMENT PERCENTAGE.—Section 3(p) of the Small Business Act (15 U.S.C. 632(p)) is amended—

(1) in paragraph (5), by adding at the end the following:

''(E) EMPLOYMENT PERCENTAGE DURING INTERIM PERIOD.—

''(i) DEFINITION.—In this subparagraph, the term 'interim period' means the period beginning on the date on which the Administrator determines that a HUBZone small business concern is qualified under subparagraph (A) and ending on the day before the date on which a contract under the HUBZone program for which the HUBZone small business concern submits a bid is awarded.

''(ii) INTERIM PERIOD.—During the interim period, the Administrator may not determine that the HUBZone small business is not qualified under subparagraph (A) based on a failure to meet the applicable employment percentage under subparagraph (A)(i)(I), unless the HUBZone small business concern—

''(I) has not attempted to maintain the applicable employment percentage under subparagraph (A)(i)(I); or

''(II) does not meet the applicable employment percentage—

''(aa) on the date on which the HUBZone small business concern submits a bid for a contract under the HUBZone program; or

''(bb) on the date on which the HUBZone small business concern is awarded a contract under the HUBZone program.''; and

(2) by adding at the end the following:

''(8) HUBZONE PROGRAM.—The term 'HUBZone program' means the program established under section 31.

''(9) HUBZONE MAP.—The term 'HUBZone map' means the map used by the Administration to identify HUBZones.''.

(d) REDESIGNATED AREAS.—Section 3(p)(4)(C)(i) of the Small Business Act (15 U.S.C. 632(p)(4)(C)(i)) is amended to read as follows:

''(i) 3 years after the first date on which the Administrator publishes a HUBZone map that is based on the results from the 2010 decennial census; or''.

SEC. 527. ANNUAL REPORT ON SUSPENSION, DEBARMENT, AND PROSECUTION.

The Administrator shall submit an annual report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that contains—

(1) the number of debarments from participation in programs of the Administration issued by the Administrator during the 1-year period preceding the date of the report, including—

(A) the number of debarments that were based on a conviction; and

(B) the number of debarments that were fact-based and did not involve a conviction;

(2) the number of suspensions from participation in programs of the Administration issued by the Administrator during the 1-year period preceding the date of the report, including—

(A) the number of suspensions issued that were based upon indictments; and

(B) the number of suspensions issued that were fact-based and did not involve an indictment;

(3) the number of suspension and debarments issued by the Administrator during the 1-year period preceding the date of the report that were based upon referrals from offices of the Administration, other than the Office of Inspector General;

(4) the number of suspension and debarments issued by the Administrator during the 1-year period preceding the date of the report based upon referrals from the Office of Inspector General; and

(5) the number of persons that the Administrator declined to debar or suspend after a referral described in paragraph (8), and the reason for each such decision.

Subtitle C—Fairness in Women-Owned Small Business Contracting

SEC. 531. SHORT TITLE.

This subtitle may be cited as the ''Fairness in Women-Owned Small Business Contracting Act of 2012''.

SEC. 532. PROCUREMENT PROGRAM FOR WOMEN-OWNED SMALL BUSINESS CONCERNS.

Section 8(m) of the Small Business Act (15 U.S.C. 637(m)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking ''who are economically disadvantaged'';

(B) in subparagraph (C), by striking ''paragraph (3)'' and inserting ''paragraph (4)'';

(C) by striking subparagraph (D); and

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

(2) by adding at the end the following:

''(7) SOLE SOURCE CONTRACTS.—A contracting officer may award a sole source contract under this subsection to a small business concern owned and controlled by women under the same conditions as a sole source contract may be awarded to a qualified HUBZone small business concern under section 31(b)(2)(A).''.

SEC. 533. STUDY AND REPORT ON REPRESENTATION OF WOMEN.

Section 29 of the Small Business Act (15 U.S.C. 656), as amended by section 424 of this Act, is amended by adding at the end the following:

''(n) STUDY AND REPORT ON REPRESENTATION OF WOMEN.—

''(1) STUDY.—The Administrator shall periodically conduct a study to identify any United States industry, as defined under the North American Industry Classification System, in which women are underrepresented.

''(2) REPORT.—Not later than 5 years after the date of enactment of this subsection, and every 5 years thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the results of each study under paragraph (1) conducted during the 5-year period ending on the date of the report.''.

Subtitle D—Small Business Champion

SEC. 541. SHORT TITLE.

This subtitle may be cited as the ''Small Business Champion Act of 2012''.

SEC. 542. OFFICES OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION.

(a) APPOINTMENT AND POSITION OF DIRECTOR.—Section 15(k)(2) of the Small Business Act (15 U.S.C. 644(k)(2)) is amended by striking ''such agency,'' and inserting ''such agency to a position that is a Senior Executive Service position (as such term is defined under section 3132(a) of title 5, United States Code), except that, for any agency in which the positions of Chief Acquisition Officer and senior procurement executive (as such terms are defined under section 43(a) of this Act) are not Senior Executive Service positions, the Director of Small and Disadvantaged Business Utilization may be appointed to a position compensated at not less than the minimum rate of basic pay payable for grade GS–15 of the General Schedule under section 5332 of such title (including comparability payments under section 5304 of such title);''.

(b) PERFORMANCE APPRAISALS.—Section 15(k)(3) of the Small Business Act (15 U.S.C. 644(k)(3)) is amended—

(1) by striking ''be responsible only to, and report directly to, the head'' and inserting ''shall be responsible only to (including with respect to performance appraisals), and report directly and exclusively to, the head''; and

(2) by striking ''be responsible only to, and report directly to, such Secretary'' and inserting ''be responsible only to (including with respect to performance appraisals), and report directly and exclusively to, such Secretary''.

(c) SMALL BUSINESS TECHNICAL ADVISERS.—Section 15(k)(8)(B) of the Small Business Act (15 U.S.C. 644(k)(8)(B)) is amended by striking ''and 15 of this Act,'' and inserting '', 15, and 43 of this Act;''.

(d) ADDITIONAL REQUIREMENTS.—Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) is amended by inserting after paragraph (10) the following:

''(11) shall review and advise such agency on any decision to convert an activity performed by a small business concern to an activity performed by a Federal employee;

''(12) shall provide to the Chief Acquisition Officer and senior procurement executive of such agency advice and comments on acquisition strategies, market research, and justifications related to section 43 of this Act;

''(13) may provide training to small business concerns and contract specialists, except that such training may only be provided to the extent that the training does not interfere with the Director carrying out other responsibilities under this subsection;

''(14) shall carry out exclusively the duties enumerated in this Act, and shall, while the Director, not hold any other title, position, or responsibility, except as necessary to carry out responsibilities under this subsection;

''(15) shall submit, each fiscal year, to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report describing—

''(A) the training provided by the Director under paragraph (13) in the most recently completed fiscal year;

''(B) the percentage of the budget of the Director used for such training in the most recently completed fiscal year; and

''(C) the percentage of the budget of the Director used for travel in the most recently completed fiscal year; and

''(16) shall have not less than 10 years of relevant procurement experience.''.

(e) TECHNICAL AMENDMENTS.—Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), as amended by subsection (d), is further amended—

(1) in the matter preceding paragraph (1) by striking ''who shall'' and inserting ''who'';

(2) in paragraph (1)—

(A) by striking ''be known'' and inserting ''shall be known''; and

(B) by striking ''such agency,'' and inserting ''such agency;'';

(3) in paragraph (2) by striking ''be appointed by'' and inserting ''shall be appointed by'';

(4) in paragraph (3)—

(A) by striking ''director'' and inserting ''Director''; and

(B) by striking ''Secretary's designee,'' and inserting ''Secretary's designee;'';

(5) in paragraph (4)—

(A) by striking ''be responsible'' and inserting ''shall be responsible''; and

(B) by striking ''such agency,'' and inserting ''such agency;'';

(6) in paragraph (5) by striking ''identify proposed'' and inserting ''shall identify proposed'';

(7) in paragraph (6) by striking ''assist small'' and inserting ''shall assist small'';

(8) in paragraph (7)—

(A) by striking ''have supervisory'' and inserting ''shall have supervisory''; and

(B) by striking ''this Act,'' and inserting ''this Act;'';

(9) in paragraph (8)—

(A) by striking ''assign a'' and inserting ''shall assign a''; and

(B) by striking ''the activity, and'' and inserting ''the activity; and'';

(10) in paragraph (9)—

(A) by striking ''cooperate, and'' and inserting ''shall cooperate, and''; and

(B) by striking ''subsection, and'' and inserting ''subsection;''; and

(11) in paragraph (10)—

(A) by striking ''make recommendations'' and inserting ''shall make recommendations'';

(B) by striking ''subsection (a), or section'' and inserting ''subsection (a), section'';

(C) by striking ''Act or section 2323'' and inserting ''Act, or section 2323'';

(D) by striking ''Code. Such recommendations shall'' and inserting ''Code, which shall''; and

(E) by striking ''contract file.'' and inserting ''contract file;''.

SEC. 543. SMALL BUSINESS PROCUREMENT ADVISORY COUNCIL.

(a) DUTIES.—Section 7104(b) of the Federal Acquisition Streamlining Act of 1994 (15 U.S.C. 644 note) is amended—

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

(2) in paragraph (2) by striking ''authorities.'' and inserting ''authorities;''; and

(3) by adding at the end the following:

''(3) to conduct reviews of each Office of Small and Disadvantaged Business Utilization established under section 15(k) of the Small Business Act (15 U.S.C. 644(k)) to determine the compliance of each Office with requirements under such section;

''(4) to identify best practices for maximizing small business utilization in Federal contracting that may be implemented by Federal agencies having procurement powers; and

''(5) to submit, annually, to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report describing—

''(A) the comments submitted under paragraph (2) during the 1-year period ending on the date on which the report is submitted, including any outcomes related to the comments;

''(B) the results of reviews conducted under paragraph (3) during such 1-year period; and

''(C) best practices identified under paragraph (4) during such 1-year period.''.

(b) MEMBERSHIP.—Section 7104(c) of the Federal Acquisition Streamlining Act of 1994 (15 U.S.C. 644 note) is amended by striking ''(established under section 15(k) of the Small Business Act (15 U.S.C. 644(k))''.

(c) CHAIRMAN.—Section 7104(d) of the Federal Acquisition Streamlining Act of 1994 (15 U.S.C. 644 note) is amended by inserting after ''Small Business Administration'' the following: ''(or the designee of the Administrator)''.

TITLE VI—TRANSPARENCY, ACCOUNTABILITY, AND EFFECTIVENESS

Subtitle A—Small Business Common Application

SEC. 611. DEFINITIONS.

In this subtitle—

(1) the terms ''Administration'' and ''Administrator'' mean the Small Business Administration and the Administrator thereof, respectively;

(2) the term ''Executive agency'' has the meaning given that term under section 105 of title 5, United States Code;

(3) the term ''Executive Committee'' means the Executive Committee on a Small Business Common Application established under section 613(a);

(4) the term ''small business concern'' has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632);

SEC. 612. SENSE OF CONGRESS.

It is the sense of Congress that Executive agencies should—

(1) reduce paperwork burdens on small business concerns pursuant to section 3501 of title 44, United States Code;

(2) maximize the ability of small business concerns to use common applications, where practicable, and use consolidated web portals to interact with Executive agencies;

(3) maintain high standards for data privacy and security;

(4) increase the degree and ease of information sharing and coordination among programs serving small business concerns that are carried out by Executive agencies, including State and local offices of Executive agencies; and

(5) minimize redundancy in the administration of programs that can utilize common applications, where practicable, and consolidated web portals.

SEC. 613. EXECUTIVE COMMITTEE ON A SMALL BUSINESS COMMON APPLICATION.

(a) ESTABLISHMENT.—There is established in the Administration an Executive Committee on a Small Business Common Application, which shall make recommendations regarding the establishment, if practicable, of a small business common application and web portal.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The members of the Executive Committee shall consist of—

(A) the Administrator;

(B) the Assistant Secretary of Commerce for Economic Development; and

(C) 1 senior officer or employee having policy and technical expertise appointed by each of—

(i) the Administrator of the General Services Administration;

(ii) the Director of the National Institutes of Health;

(iii) the Director of the National Science Foundation;

(iv) the President of the Export-Import Bank;

(v) the Secretary of Agriculture;

(vi) the Secretary of Defense;

(vii) the Secretary of Health and Human Services;

(viii) the Secretary of Labor;

(ix) the Secretary of State;

(x) the Secretary of the Treasury; and

(xi) the Secretary of Veterans Affairs.

(2) CHAIRPERSON.—The Administrator shall serve as chairperson of the Executive Committee.

(3) PERIOD OF APPOINTMENT.—Members of the Executive Committee shall be appointed for a term of 1 year.

(4) VACANCIES.—A vacancy in the Executive Committee shall be filled in the same manner as the original appointment, not later than 30 days after the date on which the vacancy occurs.

(c) MEETINGS.—

(1) IN GENERAL.—The Executive Committee shall meet at the call of the chairperson of the Executive Committee.

(2) QUORUM.—A majority of the members of the Executive Committee shall constitute a quorum.

(3) FIRST MEETING.—The first meeting of the Executive Committee shall take place not later than 30 days after the date of enactment of this subtitle.

(4) PUBLIC MEETING.—The Executive Committee shall hold at least 1 public meeting before the date described in subsection (d)(1) to receive comments from small business concerns and other interested parties.

(d) DUTIES.—

(1) RECOMMENDATIONS.—Not later than 270 days after the date of enactment of this Act, upon a vote of the majority of members of the Executive Committee then serving, the Executive Committee shall submit to the Administrator recommendations relating to the feasibility of establishing a small business common application and web portal in order to meet the goals described in section 612.

(2) TRANSMISSION TO EXECUTIVE AGENCIES.—The Executive Committee shall transmit to each Executive agency a complete copy of the recommendations submitted under paragraph (1).

(3) TRANSMISSION TO CONGRESS.—The Executive Committee shall transmit to each relevant committee of Congress a complete copy of the recommendations submitted under paragraph (1).

(4) RECOMMENDATIONS BY EXECUTIVE AGENCIES.—Not later than 30 days after the date on which the Executive Committee transmits recommendations to the Executive agency under paragraph (2), each Executive agency that provides Federal assistance to small business concerns shall submit to Congress recommendations, if any, for legislative changes necessary for the Executive agency to carry out the recommendations under paragraph (1).

(e) PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—The members of the Executive Committee shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) DETAIL OF EMPLOYEES.—The Administrator may detail to the Executive Committee any employee of the Economic Development Administration, and such detail shall be without interruption or loss of civil service status or privilege.

(f) FEDERAL ADVISORY COMMITTEE ACT.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Executive Committee.

SEC. 614. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Administrator such sums as may be necessary to carry out this subtitle.

Subtitle B—Government Accountability Office Review

SEC. 621. GOVERNMENT ACCOUNTABILITY OFFICE REVIEW.

Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that evaluates the status of the programs authorized under this Act and the amendments made by this Act, including the extent to which such programs have been funded and implemented and have contributed to promoting job creation among small business concerns.

SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 54—STATING THAT IT IS THE POLICY OF THE UNITED STATES TO OPPOSE THE SALE, SHIPMENT, PERFORMANCE OF MAINTENANCE, REFURBISHMENT, MODIFICATION, REPAIR, AND UPGRADE OF ANY MILITARY EQUIPMENT FROM OR BY THE RUSSIAN FEDERATION TO OR FOR THE SYRIAN ARAB REPUBLIC

Mr. HATCH (for himself and Mr. CORNYN) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 54

Whereas the General Director of Rosoboronexport, the largest Russian arms exporter, recently announced that his company was transferring anti-aircraft and antiship missile systems to Syria;

Whereas the Government of the Russian Federation has announced the deployment of 11 warships, including amphibious ships designed to carry naval infantry, to the eastern Mediterranean, and it is expected that some of those ships will dock at the Syrian port of Tartus;

Whereas Secretary of State Hillary Clinton recently stated, ''What can every nation and group represented here do? . . . I ask you to reach out to Russia and China, and to not only urge but demand that they get off the sidelines and begin to support the legitimate aspirations of the Syrian people.'';

Whereas Secretary of State Clinton further stated on July 17, 2012, ''[O]ur commitment is to try to get Russia to cooperate. So we want the rest of the world to put pressure on Russia . . . as long as he [Bashar al-Assad] has Russia uncertain about whether or not to side against him in any more dramatic way that it already has, he [Assad] feels like he can keep going.'';

Whereas the Government of the Russian Federation recently refurbished at least three Syrian Mi–25 helicopters; and

Whereas the Government of the Russian Federation has taken a tentative positive step of expounding a new policy that it will not enter into new arms agreements with the Government of the Syrian Arab Republic: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the policy of the United States—

(1) to oppose the sale, shipment, performance of maintenance, refurbishment, modification, repair, or upgrade of any military equipment, including parts that can be used in military equipment, from or by the Government of the Russian Federation to or for the Government of the Syrian Arab Republic; and

(2) to oppose any effort by the Government of the Russian Federation to increase, maintain, or sustain the military readiness and or military capabilities of the Government of the Syrian Arab Republic.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2573. Mr. HATCH (for himself, Mr. MCCONNELL, Mr. JOHANNS, Mr. ROBERTS, Mr. BURR, Mr. THUNE, Mr. CORNYN, Mr. KYL, Mr. BOOZMAN, Mr. BLUNT, Mr. RUBIO, Mr. MCCAIN, Mr. GRASSLEY, Mr. BARRASSO, Mr. KIRK, Mrs. HUTCHISON, Mr. HOEVEN, Mr. SHELBY, and Mr. ISAKSON) proposed an amendment to the bill S. 3412, to amend the Internal Revenue Code of 1986 to provide tax relief to middle-class families.

SA 2574. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 3414, to enhance the security and resiliency of the cyber and communications infrastructure of the United States; which was ordered to lie on the table.

SA 2575. Mr. LAUTENBERG (for himself, Mrs. BOXER, Mr. REED, Mr. MENENDEZ, Mrs. GILLIBRAND, Mr. SCHUMER, and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by him to the bill S. 3414, supra; which was ordered to lie on the table.

SA 2576. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 3414, supra; which was ordered to lie on the table.

SA 2577. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 3414, supra; which was ordered to lie on the table.

SA 2578. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 3414, supra; which was ordered to lie on the table.

SA 2579. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 3414, supra; which was ordered to lie on the table.

SA 2580. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 3414, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2573. Mr. HATCH (for himself, Mr. MCCONNELL, Mr. JOHANNS, Mr. ROBERTS, Mr. BURR, Mr. THUNE, Mr. CORNYN, Mr. KYL, Mr. BOOZMAN, Mr. BLUNT, Mr. RUBIO, Mr. MCCAIN, Mr. GRASSLEY, Mr. BARRASSO, Mr. KIRK, Mrs. HUTCHISON, Mr. HOEVEN, Mr. SHELBY, and Mr. ISAKSON) proposed an amendment to the bill S. 3412, to amend the Internal Revenue Code of 1986 to provide tax relief to middle-class families; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Tax Hike Prevention Act of 2012''.

SEC. 2. TEMPORARY EXTENSION OF 2001 TAX RELIEF.

(a) IN GENERAL.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''December 31, 2012'' both places it appears and inserting ''December 31, 2013''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

SEC. 3. TEMPORARY EXTENSION OF 2003 TAX RELIEF.

(a) IN GENERAL.—Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking ''December 31, 2012'' and inserting ''December 31, 2013''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if

included in the enactment of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

SEC. 4. ALTERNATIVE MINIMUM TAX RELIEF.

(a) TEMPORARY EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.—

(1) IN GENERAL.—Paragraph (1) of section 55(d) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''$72,450'' and all that follows through ''2011'' in subparagraph (A) and inserting ''$78,750 in the case of taxable years beginning in 2012 and $79,850 in the case of taxable years beginning in 2013'', and

(B) by striking ''$47,450'' and all that follows through ''2011'' in subparagraph (B) and inserting ''$50,600 in the case of taxable years beginning in 2012 and $51,150 in the case of taxable years beginning in 2013''.

(b) TEMPORARY EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.—

(1) IN GENERAL.—Paragraph (2) of section 26(a) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''or 2011'' and inserting ''2011, 2012, or 2013'', and

(B) by striking ''2011'' in the heading thereof and inserting ''2013''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

SEC. 5. EXTENSION OF INCREASED EXPENSING LIMITATIONS AND TREATMENT OF CERTAIN REAL PROPERTY AS SECTION 179 PROPERTY.

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Section 179(b)(1) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''2010 or 2011,'' in subparagraph (B) and inserting ''2010, 2011, 2012, or 2013, and'',

(B) by striking subparagraph (C),

(C) by redesignating subparagraph (D) as subparagraph (C), and

(D) in subparagraph (C), as so redesignated, by striking ''2012'' and inserting ''2013''.

(2) REDUCTION IN LIMITATION.—Section 179(b)(2) of such Code is amended—

(A) by striking ''2010 or 2011,'' in subparagraph (B) and inserting ''2010, 2011, 2012, or 2013, and'',

(B) by striking subparagraph (C),

(C) by redesignating subparagraph (D) as subparagraph (C), and

(D) in subparagraph (C), as so redesignated, by striking ''2012'' and inserting ''2013''.

(3) CONFORMING AMENDMENT.—Subsection (b) of section 179 of such Code is amended by striking paragraph (6).

(b) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) of the Internal Revenue Code of 1986 is amended by striking ''2013'' and inserting ''2014''.

(c) ELECTION.—Section 179(c)(2) of the Internal Revenue Code of 1986 is amended by striking ''2013'' and inserting ''2014''.

(d) SPECIAL RULES FOR TREATMENT OF QUALIFIED REAL PROPERTY.—

(1) IN GENERAL.—Section 179(f)(1) of the Internal Revenue Code of 1986 is amended by striking ''2010 or 2011'' and inserting ''2010, 2011, 2012, or 2013''.

(2) CARRYOVER LIMITATION.—

(A) IN GENERAL.—Section 179(f)(4) of such Code is amended by striking ''2011'' each place it appears and inserting ''2013''.

(B) CONFORMING AMENDMENT.—The heading for subparagraph (C) of section 179(f)(4) of such Code is amended by striking ''2010'' and inserting ''2010, 2011 AND 2012''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

SEC. 6. INSTRUCTIONS FOR TAX REFORM.

(a) IN GENERAL.—The Senate Committee on Finance shall report legislation not later than 12 months after the date of the enactment of this Act that consists of changes in laws within its jurisdiction which meet the requirements of subsection (b).

(b) REQUIREMENTS.—Legislation meets the requirements of this subsection if the legislation—

(1) simplifies the Internal Revenue Code of 1986 by reducing the number of tax preferences and reducing individual tax rates proportionally, with the highest individual tax rate significantly below 35 percent;

(2) permanently repeals the alternative minimum tax;

(3) is projected, when compared to the current tax policy baseline, to be revenue neutral or result in revenue losses;

(4) has a dynamic effect which is projected to stimulate economic growth and lead to increased revenue;

(5) applies any increased revenue from stimulated economic growth to additional rate reductions and does not permit any such increased revenue to be used for additional Federal spending;

(6) retains a progressive tax code; and

(7) provides for revenue-neutral reform of the taxation of corporations and businesses by—

(A) providing a top tax rate on corporations of no more than 25 percent; and

(B) implementing a competitive territorial tax system.

SA 2574. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 3414, to enhance the security and resiliency of the cyber and communications infrastructure of the United States; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

TITLE VIII—MISCELLANEOUS

SEC. 801. COMPLIANCE WITH OR VIOLATION OF ENVIRONMENTAL LAWS WHILE UNDER EMERGENCY ORDER.

(a) IN GENERAL.—Section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)) is amended—

(1) by striking ''(c) During'' and inserting the following:

''(c) TEMPORARY CONNECTION AND EXCHANGE OF FACILITIES DURING EMERGENCY.—

''(1) IN GENERAL.—During''; and

(2) by adding at the end the following:

''(2) COMPLIANCE WITH OR VIOLATION OF ENVIRONMENTAL LAWS WHILE UNDER EMERGENCY ORDER.—

''(A) IN GENERAL.—If an order issued under this subsection may result in a conflict with a requirement of any Federal, State, or local environmental law or regulation, the Commission shall ensure that the order—

''(i) requires generation, delivery, interchange, or transmission of electric energy only during hours necessary to meet the emergency and serve the public interest; and

''(ii) to the maximum extent practicable, is consistent with any applicable Federal, State, or local environmental law or regulation and minimizes any adverse environmental impacts.

''(B) EFFECT OF COMPLIANCE WITH EMERGENCY ORDERS.—To the extent any omission or action taken by a party that is necessary to comply with an order issued under this subsection (including any omission or action taken to voluntarily comply with the order) results in noncompliance with, or causes the party to not comply with, any Federal, State, or local environmental law or regulation, the omission or action shall not be considered a violation of the environmental law or regulation, or subject the party to any requirement, civil or criminal liability, or a citizen suit under the environmental law or regulation.

''(C) TERM OF EMERGENCY ORDERS.—Subject to subparagraph (D), an order issued under this subsection that may result in a conflict with a requirement of any Federal, State, or local environmental law or regulation shall expire not later than 90 days after the order is issued.

''(D) RENEWAL OR REISSUANCE OF EMERGENCY ORDERS.—

''(i) IN GENERAL.—The Commission may renew or reissue the order pursuant to this subsection for subsequent periods, not to exceed 90 days for each period, as the Commission determines necessary to meet the emergency and serve the public interest.

''(ii) ADMINISTRATION.—In renewing or reissuing an order under clause (i), the Commission shall—

''(I) consult with the primary Federal agency with expertise in the environmental interest protected by the law or regulation; and

''(II) include in the renewed or reissued order such conditions as the Federal agency determines necessary to minimize any adverse environmental impacts to the maximum extent practicable.

''(iii) PUBLIC AVAILABILITY OF CONDITIONS.—The conditions, if any, submitted by the Federal agency shall be made available to the public.

''(iv) EXCLUSION OF CONDITIONS.—The Commission may exclude a condition from the renewed or reissued order if the Commission—

''(I) determines that the condition would prevent the order from adequately addressing the emergency necessitating the order; and

''(II) provides in the order, or otherwise makes publicly available, an explanation of the determination.''.

(b) TEMPORARY CONNECTION OR CONSTRUCTION BY MUNICIPALITIES.—Section 202(d) of the Federal Power Act (16 U.S.C. 824a(d)) is amended by inserting ''or municipality'' before ''engaged in the transmission or sale of electric energy''.

SA 2575. Mr. LAUTENBERG (for himself, Mrs. BOXER, Mr. REED, Mr. MENENDEZ, Mrs. GILLIBRAND, Mr. SCHUMER, and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by him to the bill S. 3414, to enhance the security and resiliency of the cyber and communications infrastructure of the United States; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following

SEC. ___. PROHIBITION ON TRANSFER OR POSSESSION OF LARGE CAPACITY AMMUNITION FEEDING DEVICES.

(a) DEFINITION.—Section 921(a) of title 18, United States Code, is amended by inserting after paragraph (29) the following:

''(30) The term 'large capacity ammunition feeding device'—

''(A) means a magazine, belt, drum, feed strip, or similar device that has a capacity of, or that can be readily restored or converted to accept, more than 10 rounds of ammunition; but

''(B) does not include an attached tubular device designed to accept, and capable of operating only with, .22 caliber rimfire ammunition.''.

(b) PROHIBITIONS.—Section 922 of such title is amended by inserting after subsection (u) the following:

''(v)(1)(A)(i) Except as provided in clause (ii), it shall be unlawful for a person to transfer or possess a large capacity ammunition feeding device.

''(ii) Clause (i) shall not apply to the possession of a large capacity ammunition feeding device otherwise lawfully possessed within the United States on or before the date of the enactment of this subsection.

''(B) It shall be unlawful for any person to import or bring into the United States a large capacity ammunition feeding device.

''(2) Paragraph (1) shall not apply to—

''(A) a manufacture for, transfer to, or possession by the United States or a department or agency of the United States or a State or a department, agency, or political subdivision of a State, or a transfer to or possession by a law enforcement officer employed by such an entity for purposes of law enforcement (whether on or off duty);

''(B) a transfer to a licensee under title I of the Atomic Energy Act of 1954 for purposes of establishing and maintaining an on-site physical protection system and security organization required by Federal law, or possession by an employee or contractor of such a licensee on-site for such purposes or off-site for purposes of licensee-authorized training or transportation of nuclear materials;

''(C) the possession, by an individual who is retired from service with a law enforcement agency and is not otherwise prohibited from receiving ammunition, of a large capacity ammunition feeding device transferred to the individual by the agency upon that retirement; or

''(D) a manufacture, transfer, or possession of a large capacity ammunition feeding device by a licensed manufacturer or licensed importer for the purposes of testing or experimentation authorized by the Attorney General.''.

(c) PENALTIES.—Section 924(a) of such title is amended by adding at the end the following:

''(8) Whoever knowingly violates section 922(v) shall be fined under this title, imprisoned not more than 10 years, or both.''.

(d) IDENTIFICATION MARKINGS.—Section 923(i) of such title is amended by adding at the end the following: ''A large capacity ammunition feeding device manufactured after the date of the enactment of this sentence shall be identified by a serial number that clearly shows that the device was manufactured after such date of enactment, and such other identification as the Attorney General may by regulation prescribe.''.

SA 2576. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 3414, to enhance the security and resiliency of the cyber and communications infrastructure of the United States; which was ordered to lie on the table; as follows:

Beginning on page 109, strike line 4 and all that follows through page 110, line 6, and insert the following:

(d) CYBERSECURITY MODELING AND TEST BEDS.—

(1) REVIEW.—Not later than 1 year after the date of enactment of this Act, the Director shall conduct a review of cybersecurity test beds in existence on the date of enactment of this Act to inform the program established under paragraph (2).

(2) ESTABLISHMENT OF PROGRAM.—

(A) IN GENERAL.—The Director of the National Science Foundation, the Secretary, and the Secretary of Commerce shall establish a program for the appropriate Federal agencies to award grants to institutions of higher education or research and development non-profit institutions to establish cybersecurity test beds capable of realistic modeling of real-time cyber attacks and defenses. The test beds shall work to enhance the security of public systems and focus on enhancing the security of critical private sector systems such as those in the finance, energy, and other sectors.

(B) REQUIREMENTS.—

(i) SIZE OF TEST BEDS.—The test beds established under the program established under subparagraph (A) shall be sufficiently large in order to model the scale and complexity of real world networks and environments.

(ii) USE OF EXISTING TEST BEDS.—The test bed program established under subparagraph (A) shall build upon and expand test beds and cyber attack simulation, experiment, and distributed gaming tools developed by the Under Secretary of Homeland Security for Science and Technology prior to the date of enactment of this Act.

(3) PURPOSES.—The purposes of the program established under paragraph (2) shall be to—

(A) support the rapid development of new cybersecurity defenses, techniques, and processes by improving understanding and assessing the latest technologies in a real-world environment; and

(B) to improve understanding among private sector partners of the risk, magnitude, and consequences of cyber attacks.

SA 2577. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 3414, to enhance the security and resiliency of the cyber and communications infrastructure of the United States; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE VIII—DATA SECURITY

SEC. 801. DEFINITIONS.

In this title, the following definitions shall apply:

(1) BUSINESS ENTITY.—The term ''business entity'' means any organization, corporation, trust, partnership, sole proprietorship, unincorporated association, or venture established to make a profit, or nonprofit.

(2) PERSONALLY IDENTIFIABLE INFORMATION.—The term ''personally identifiable information'' means any information, or compilation of information, in electronic or digital form that is a means of identification, as defined by section 1028(d)(7) of title 18, United State Code.

(3) SENSITIVE PERSONALLY IDENTIFIABLE INFORMATION.—The term ''sensitive personally identifiable information'' means any information or compilation of information, in electronic or digital form that includes the following:

(A) An individual's first and last name or first initial and last name in combination with any 2 of the following data elements:

(i) Home address or telephone number.

(ii) Mother's maiden name.

(iii) Month, day, and year of birth.

(B) A non-truncated social security number, driver's license number, passport number, or alien registration number or other government-issued unique identification number.

(C) Unique biometric data such as a finger print, voice print, a retina or iris image, or any other unique physical representation.

(D) A unique account identifier, including a financial account number or credit or debit card number, electronic identification number, user name, or routing code.

(E) Any combination of the following data elements:

(i) An individual's first and last name or first initial and last name.

(ii) A unique account identifier, including a financial account number or credit or debit card number, electronic identification number, user name, or routing code.

(iii) Any security code, access code, or password, or source code that could be used to generate such codes or passwords.

(4) SERVICE PROVIDER.—The term ''service provider'' means a business entity that provides electronic data transmission, routing, intermediate and transient storage, or connections to its system or network, where the business entity providing such services does not select or modify the content of the electronic data, is not the sender or the intended recipient of the data, and the business entity transmits, routes, stores, or provides connections for personal information in a manner that personal information is undifferentiated from other types of data that such business entity transmits, routes, stores, or provides connections. Any such business entity shall be treated as a service provider under this title only to the extent that it is engaged in the provision of such transmission, routing, intermediate and transient storage or connections.

SEC. 802. PURPOSE AND APPLICABILITY OF DATA PRIVACY AND SECURITY PROGRAM.

(a) PURPOSE.—The purpose of this title is to ensure standards for developing and implementing administrative, technical, and physical safeguards to protect the security of sensitive personally identifiable information.

(b) APPLICABILITY.—A business entity engaging in interstate commerce that involves collecting, accessing, transmitting, using, storing, or disposing of sensitive personally identifiable information in electronic or digital form on 10,000 or more United States persons is subject to the requirements for a data privacy and security program under section 803 for protecting sensitive personally identifiable information.

(c) LIMITATIONS.—Notwithstanding any other obligation under this title, this title does not apply to the following:

(1) FINANCIAL INSTITUTIONS.—Financial institutions—

(A) subject to the data security requirements and standards under section 501(b) of the Gramm-Leach-Bliley Act (15 U.S.C. 6801(b)); and

(B) subject to the jurisdiction of an agency or authority described in section 505(a) of the Gramm-Leach-Bliley Act (15 U.S.C. 6805(a)).

(2) HIPAA REGULATED ENTITIES.—

(A) COVERED ENTITIES.—Covered entities subject to the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1301 et seq.), including the data security requirements and implementing regulations of that Act.

(B) BUSINESS ENTITIES.—A Business entity shall be deemed in compliance with this title if the business entity—

(i) is acting as a business associate, as that term is defined under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1301 et seq.) and is in compliance with the requirements imposed under that Act and implementing regulations promulgated under that Act; and

(ii) is subject to, and currently in compliance, with the privacy and data security requirements under sections 13401 and 13404 of division A of the American Reinvestment and Recovery Act of 2009 (42 U.S.C. 17931 and 17934) and implementing regulations promulgated under such sections.

(3) SERVICE PROVIDERS.—A service provider for any electronic communication by a third-party, to the extent that the service provider is exclusively engaged in the transmission, routing, or temporary, intermediate, or transient storage of that communication.

(4) PUBLIC RECORDS.—Public records not otherwise subject to a confidentiality or nondisclosure requirement, or information

obtained from a public record, including information obtained from a news report or periodical.

(d) SAFE HARBORS.—

(1) IN GENERAL.—A business entity shall be deemed in compliance with the privacy and security program requirements under section 803 if the business entity complies with or provides protection equal to industry standards or standards widely accepted as an effective industry practice, as identified by the Federal Trade Commission, that are applicable to the type of sensitive personally identifiable information involved in the ordinary course of business of such business entity.

(2) LIMITATION.—Nothing in this subsection shall be construed to permit, and nothing does permit, the Federal Trade Commission to issue regulations requiring, or according greater legal status to, the implementation of or application of a specific technology or technological specifications for meeting the requirements of this title.

SEC. 803. REQUIREMENTS FOR A PERSONAL DATA PRIVACY AND SECURITY PROGRAM.

(a) PERSONAL DATA PRIVACY AND SECURITY PROGRAM.—A business entity subject to this title shall comply with the following safeguards and any other administrative, technical, or physical safeguards identified by the Federal Trade Commission in a rulemaking process pursuant to section 553 of title 5, United States Code, for the protection of sensitive personally identifiable information:

(1) SCOPE.—A business entity shall implement a comprehensive personal data privacy and security program that includes administrative, technical, and physical safeguards appropriate to the size and complexity of the business entity and the nature and scope of its activities.

(2) DESIGN.—The personal data privacy and security program shall be designed to—

(A) ensure the privacy, security, and confidentiality of sensitive personally identifying information;

(B) protect against any anticipated vulnerabilities to the privacy, security, or integrity of sensitive personally identifying information; and

(C) protect against unauthorized access to use of sensitive personally identifying information that could create a significant risk of harm or fraud to any individual.

(3) RISK ASSESSMENT.—A business entity shall—

(A) identify reasonably foreseeable internal and external vulnerabilities that could result in unauthorized access, disclosure, use, or alteration of sensitive personally identifiable information or systems containing sensitive personally identifiable information;

(B) assess the likelihood of and potential damage from unauthorized access, disclosure, use, or alteration of sensitive personally identifiable information;

(C) assess the sufficiency of its policies, technologies, and safeguards in place to control and minimize risks from unauthorized access, disclosure, use, or alteration of sensitive personally identifiable information; and

(D) assess the vulnerability of sensitive personally identifiable information during destruction and disposal of such information, including through the disposal or retirement of hardware.

(4) RISK MANAGEMENT AND CONTROL.—Each business entity shall—

(A) design its personal data privacy and security program to control the risks identified under paragraph (3);

(B) adopt measures commensurate with the sensitivity of the data as well as the size, complexity, and scope of the activities of the business entity that—

(i) control access to systems and facilities containing sensitive personally identifiable information, including controls to authenticate and permit access only to authorized individuals;

(ii) detect, record, and preserve information relevant to actual and attempted fraudulent, unlawful, or unauthorized access, disclosure, use, or alteration of sensitive personally identifiable information, including by employees and other individuals otherwise authorized to have access;

(iii) protect sensitive personally identifiable information during use, transmission, storage, and disposal by encryption, redaction, or access controls that are widely accepted as an effective industry practice or industry standard, or other reasonable means (including as directed for disposal of records under section 628 of the Fair Credit Reporting Act (15 U.S.C. 1681w) and the implementing regulations of such Act as set forth in section 682 of title 16, Code of Federal Regulations);

(iv) ensure that sensitive personally identifiable information is properly destroyed and disposed of, including during the destruction of computers, diskettes, and other electronic media that contain sensitive personally identifiable information;

(v) trace access to records containing sensitive personally identifiable information so that the business entity can determine who accessed or acquired such sensitive personally identifiable information pertaining to specific individuals; and

(vi) ensure that no third party or customer of the business entity is authorized to access or acquire sensitive personally identifiable information without the business entity first performing sufficient due diligence to ascertain, with reasonable certainty, that such information is being sought for a valid legal purpose; and

(C) establish a plan and procedures for minimizing the amount of sensitive personally identifiable information maintained by such business entity, which shall provide for the retention of sensitive personally identifiable information only as reasonably needed for the business purposes of such business entity or as necessary to comply with any legal obligation.

(b) TRAINING.—Each business entity subject to this title shall take steps to ensure employee training and supervision for implementation of the data security program of the business entity.

(c) VULNERABILITY TESTING.—

(1) IN GENERAL.—Each business entity subject to this title shall take steps to ensure regular testing of key controls, systems, and procedures of the personal data privacy and security program to detect, prevent, and respond to attacks or intrusions, or other system failures.

(2) FREQUENCY.—The frequency and nature of the tests required under paragraph (1) shall be determined by the risk assessment of the business entity under subsection (a)(3).

(d) RELATIONSHIP TO CERTAIN PROVIDERS OF SERVICES.—In the event a business entity subject to this title engages a person or entity not subject to this title (other than a service provider) to receive sensitive personally identifiable information in performing services or functions (other than the services or functions provided by a service provider) on behalf of and under the instruction of such business entity, such business entity shall—

(1) exercise appropriate due diligence in selecting the person or entity for responsibilities related to sensitive personally identifiable information, and take reasonable steps to select and retain a person or entity that is capable of maintaining appropriate safeguards for the security, privacy, and integrity of the sensitive personally identifiable information at issue; and

(2) require the person or entity by contract to implement and maintain appropriate measures designed to meet the objectives and requirements governing entities subject to this section.

(e) PERIODIC ASSESSMENT AND PERSONAL DATA PRIVACY AND SECURITY MODERNIZATION.—Each business entity subject to this title shall on a regular basis monitor, evaluate, and adjust, as appropriate its data privacy and security program in light of any relevant changes in—

(1) technology;

(2) the sensitivity of personally identifiable information;

(3) internal or external threats to personally identifiable information; and

(4) the changing business arrangements of the business entity, such as—

(A) mergers and acquisitions;

(B) alliances and joint ventures;

(C) outsourcing arrangements;

(D) bankruptcy; and

(E) changes to sensitive personally identifiable information systems.

(f) IMPLEMENTATION TIMELINE.—Not later than 1 year after the date of enactment of this title, a business entity subject to the provisions of this title shall implement a data privacy and security program pursuant to this title.

SEC. 804. ENFORCEMENT.

(a) CIVIL PENALTIES.—

(1) IN GENERAL.—Any business entity that violates the provisions of section 803 shall be subject to civil penalties of not more than $5,000 per violation per day while such a violation exists, with a maximum of $500,000 per violation.

(2) INTENTIONAL OR WILLFUL VIOLATION.—A business entity that intentionally or willfully violates the provisions of section 803 shall be subject to additional penalties in the amount of $5,000 per violation per day while such a violation exists, with a maximum of an additional $500,000 per violation.

(3) PENALTY LIMITS.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the total sum of civil penalties assessed against a business entity for all violations of the provisions of this title resulting from the same or related acts or omissions shall not exceed $500,000, unless such conduct is found to be willful or intentional.

(B) DETERMINATIONS.—The determination of whether a violation of a provision of this title has occurred, and if so, the amount of the penalty to be imposed, if any, shall be made by the court sitting as the finder of fact. The determination of whether a violation of a provision of this title was willful or intentional, and if so, the amount of the additional penalty to be imposed, if any, shall be made by the court sitting as the finder of fact.

(C) ADDITIONAL PENALTY LIMIT.—If a court determines under subparagraph (B) that a violation of a provision of this title was willful or intentional and imposes an additional penalty, the court may not impose an additional penalty in an amount that exceeds $500,000.

(4) EQUITABLE RELIEF.—A business entity engaged in interstate commerce that violates a provision of this title may be enjoined from further violations by a United States district court.

(5) OTHER RIGHTS AND REMEDIES.—The rights and remedies available under this section are cumulative and shall not affect any other rights and remedies available under law.

(b) FEDERAL TRADE COMMISSION AUTHORITY.—Any business entity shall have the provisions of this title enforced against it by the Federal Trade Commission.

(c) STATE ENFORCEMENT.—

(1) CIVIL ACTIONS.—In any case in which the attorney general of a State or any State or local law enforcement agency authorized by the State attorney general or by State statute to prosecute violations of consumer protection law, has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by the acts or practices of a business entity that violate this title, the State may bring a civil action on behalf of the residents of that State in a district court of the United States of appropriate jurisdiction to—

(A) enjoin that act or practice;

(B) enforce compliance with this title; or

(C) obtain civil penalties of not more than $5,000 per violation per day while such violations persist, up to a maximum of $500,000 per violation.

(2) PENALTY LIMITS.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the total sum of civil penalties assessed against a business entity for all violations of the provisions of this title resulting from the same or related acts or omissions shall not exceed $500,000, unless such conduct is found to be willful or intentional.

(B) DETERMINATIONS.—The determination of whether a violation of a provision of this title has occurred, and if so, the amount of the penalty to be imposed, if any, shall be made by the court sitting as the finder of fact. The determination of whether a violation of a provision of this title was willful or intentional, and if so, the amount of the additional penalty to be imposed, if any, shall be made by the court sitting as the finder of fact.

(C) ADDITIONAL PENALTY LIMIT.—If a court determines under subparagraph (B) that a violation of a provision of this title was willful or intentional and imposes an additional penalty, the court may not impose an additional penalty in an amount that exceeds $500,000.

(3) NOTICE.—

(A) IN GENERAL.—Before filing an action under this subsection, the attorney general of the State involved shall provide to the Federal Trade Commission—

(i) a written notice of that action; and

(ii) a copy of the complaint for that action.

(B) EXCEPTION.—Subparagraph (A) shall not apply with respect to the filing of an action by an attorney general of a State under this subsection, if the attorney general of a State determines that it is not feasible to provide the notice described in this subparagraph before the filing of the action.

(C) NOTIFICATION WHEN PRACTICABLE.—In an action described under subparagraph (B), the attorney general of a State shall provide the written notice and the copy of the complaint to the Federal Trade Commission as soon after the filing of the complaint as practicable.

(4) FEDERAL TRADE COMMISSION AUTHORITY.—Upon receiving notice under paragraph (3), the Federal Trade Commission shall have the right to—

(A) move to stay the action, pending the final disposition of a pending Federal proceeding or action as described in paragraph (5);

(B) intervene in an action brought under paragraph (1); and

(C) file petitions for appeal.

(5) PENDING PROCEEDINGS.—If the Federal Trade Commission initiates a Federal civil action for a violation of this title, or any regulations thereunder, no attorney general of a State may bring an action for a violation of this title that resulted from the same or related acts or omissions against a defendant named in the Federal civil action initiated by the Federal Trade Commission.

(6) RULE OF CONSTRUCTION.—For purposes of bringing any civil action under paragraph (1) nothing in this title shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(A) conduct investigations;

(B) administer oaths and affirmations; or

(C) compel the attendance of witnesses or the production of documentary and other evidence.

(7) VENUE; SERVICE OF PROCESS.—

(A) VENUE.—Any action brought under this subsection may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

(B) SERVICE OF PROCESS.—In an action brought under this subsection, process may be served in any district in which the defendant—

(i) is an inhabitant; or

(ii) may be found.

(d) NO PRIVATE CAUSE OF ACTION.—Nothing in this title establishes a private cause of action against a business entity for violation of any provision of this title.

SEC. 805. RELATION TO OTHER LAWS.

(a) IN GENERAL.—No State may require any business entity subject to this title to comply with any requirements with respect to administrative, technical, and physical safeguards for the protection of personal information.

(b) LIMITATIONS.—Nothing in this title shall be construed to modify, limit, or supersede the operation of the Gramm-Leach-Bliley Act or its implementing regulations, including those adopted or enforced by States.

SA 2578. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 3414, to enhance the security and resiliency of the cyber and communications infrastructure of the United States; which was ordered to lie on the table; as follows:

At the end, add the following:

DIVISION ___—DATA BREACHES

SECTION 1. SHORT TITLE.

This division may be cited as the ''Personal Data Privacy and Security Act of 2012''.

SEC. 2. FINDINGS.

Congress finds that—

(1) databases of personally identifiable information are increasingly prime targets of hackers, identity thieves, rogue employees, and other criminals, including organized and sophisticated criminal operations;

(2) identity theft is a serious threat to the Nation's economic stability, national security, homeland security, cybersecurity, the development of e-commerce, and the privacy rights of Americans;

(3) security breaches are a serious threat to consumer confidence, homeland security, national security, e-commerce, and economic stability;

(4) it is important for business entities that own, use, or license personally identifiable information to adopt reasonable procedures to ensure the security, privacy, and confidentiality of that personally identifiable information;

(5) individuals whose personal information has been compromised or who have been victims of identity theft should receive the necessary information and assistance to mitigate their damages and to restore the integrity of their personal information and identities;

(6) data misuse and use of inaccurate data have the potential to cause serious or irreparable harm to an individual's livelihood, privacy, and liberty and undermine efficient and effective business and government operations;

(7) government access to commercial data can potentially improve safety, law enforcement, and national security; and

(8) because government use of commercial data containing personal information potentially affects individual privacy, and law enforcement and national security operations, there is a need for Congress to exercise oversight over government use of commercial data.

SEC. 3. DEFINITIONS.

In this division, the following definitions shall apply:

(1) AFFILIATE.—The term ''affiliate'' means persons related by common ownership or by corporate control.

(2) AGENCY.—The term ''agency'' has the same meaning given such term in section 551 of title 5, United States Code.

(3) BUSINESS ENTITY.—The term ''business entity'' means any organization, corporation, trust, partnership, sole proprietorship, unincorporated association, or venture established to make a profit, or nonprofit.

(4) DATA SYSTEM COMMUNICATION INFORMATION.—The term ''data system communication information'' means dialing, routing, addressing, or signaling information that identifies the origin, direction, destination, processing, transmission, or termination of each communication initiated, attempted, or received.

(5) DESIGNATED ENTITY.—The term ''designated entity'' means the Federal Government entity designated by the Secretary of Homeland Security under section 206(a).

(6) ENCRYPTION.—The term ''encryption''—

(A) means the protection of data in electronic form, in storage or in transit, using an encryption technology that has been generally accepted by experts in the field of information security that renders such data indecipherable in the absence of associated cryptographic keys necessary to enable decryption of such data; and

(B) includes appropriate management and safeguards of such cryptographic keys so as to protect the integrity of the encryption.

(7) IDENTITY THEFT.—The term ''identity theft'' means a violation of section 1028(a)(7) of title 18, United States Code.

(8) PERSONALLY IDENTIFIABLE INFORMATION.—The term ''personally identifiable information'' means any information, or compilation of information, in electronic or digital form that is a means of identification, as defined by section 1028(d)(7) of title 18, United State Code.

(9) PUBLIC RECORD SOURCE.—The term ''public record source'' means the Congress, any agency, any State or local government agency, the government of the District of Columbia and governments of the territories or possessions of the United States, and Federal, State or local courts, courts martial and military commissions, that maintain personally identifiable information in records available to the public.

(10) SECURITY BREACH.—

(A) IN GENERAL.—The term ''security breach'' means compromise of the security, confidentiality, or integrity of, or the loss of, computerized data that result in, or that there is a reasonable basis to conclude has resulted in—

(i) the unauthorized acquisition of sensitive personally identifiable information; and

(ii) access to sensitive personally identifiable information that is for an unauthorized purpose, or in excess of authorization.

(B) EXCLUSION.—The term ''security breach'' does not include—

(i) a good faith acquisition of sensitive personally identifiable information by a business entity or agency, or an employee or agent of a business entity or agency, if the sensitive personally identifiable information is not subject to further unauthorized disclosure;

(ii) the release of a public record not otherwise subject to confidentiality or nondisclosure requirements or the release of information obtained from a public record, including information obtained from a news report or periodical; or

(iii) any lawfully authorized investigative, protective, or intelligence activity of a law enforcement or intelligence agency of the United States, a State, or a political subdivision of a State.

(11) SENSITIVE PERSONALLY IDENTIFIABLE INFORMATION.—The term ''sensitive personally identifiable information'' means any information or compilation of information, in electronic or digital form that includes the following:

(A) An individual's first and last name or first initial and last name in combination with any two of the following data elements:

(i) Home address or telephone number.

(ii) Mother's maiden name.

(iii) Month, day, and year of birth.

(B) A non-truncated social security number, driver's license number, passport number, or alien registration number or other government-issued unique identification number.

(C) Unique biometric data such as a finger print, voice print, a retina or iris image, or any other unique physical representation.

(D) A unique account identifier, including a financial account number or credit or debit card number, electronic identification number, user name, or routing code.

(E) Any combination of the following data elements:

(i) An individual's first and last name or first initial and last name.

(ii) A unique account identifier, including a financial account number or credit or debit card number, electronic identification number, user name, or routing code.

(iii) Any security code, access code, or password, or source code that could be used to generate such codes or passwords.

(12) SERVICE PROVIDER.—The term ''service provider'' means a business entity that provides electronic data transmission, routing, intermediate and transient storage, or connections to its system or network, where the business entity providing such services does not select or modify the content of the electronic data, is not the sender or the intended recipient of the data, and the business entity transmits, routes, stores, or provides connections for personal information in a manner that personal information is undifferentiated from other types of data that such business entity transmits, routes, stores, or provides connections. Any such business entity shall be treated as a service provider under this division only to the extent that it is engaged in the provision of such transmission, routing, intermediate and transient storage or connections.

TITLE I—CONCEALMENT OF SECURITY BREACHES

SEC. 101. CONCEALMENT OF SECURITY BREACHES INVOLVING SENSITIVE PERSONALLY IDENTIFIABLE INFORMATION.

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding at the end the following:

''§ 1041. Concealment of security breaches involving sensitive personally identifiable information

''(a) IN GENERAL.—Whoever, having knowledge of a security breach and of the fact that notice of such security breach is required under title II of the Personal Data Privacy and Security Act of 2012, intentionally and willfully conceals the fact of such security breach, shall, in the event that such security breach results in economic harm to any individual in the amount of $1,000 or more, be fined under this title or imprisoned for not more than 5 years, or both.

''(b) PERSON DEFINED.—For purposes of subsection (a), the term 'person' has the same meaning as in section 1030(e)(12) of title 18, United States Code.

''(c) NOTICE REQUIREMENT.—Any person seeking an exemption under section 202(b) of the Personal Data Privacy and Security Act of 2012 shall be immune from prosecution under this section if the Federal Trade Commission does not indicate, in writing, that such notice be given under section 202(b)(1)(C) of such Act.''.

(b) CONFORMING AND TECHNICAL AMENDMENTS.—The table of sections for chapter 47 of title 18, United States Code, is amended by adding at the end the following:

''1041. Concealment of security breaches involving sensitive personally identifiable information.''.

(c) ENFORCEMENT AUTHORITY.—

(1) IN GENERAL.—The United States Secret Service and Federal Bureau of Investigation shall have the authority to investigate offenses under this section.

(2) NONEXCLUSIVITY.—The authority granted in paragraph (1) shall not be exclusive of any existing authority held by any other Federal agency.

TITLE II—SECURITY BREACH NOTIFICATION

SEC. 201. NOTICE TO INDIVIDUALS.

(a) IN GENERAL.—Any agency, or business entity engaged in interstate commerce, other than a service provider, that uses, accesses, transmits, stores, disposes of or collects sensitive personally identifiable information shall, following the discovery of a security breach of such information, notify any resident of the United States whose sensitive personally identifiable information has been, or is reasonably believed to have been, accessed, or acquired.

(b) OBLIGATION OF OWNER OR LICENSEE.—

(1) NOTICE TO OWNER OR LICENSEE.—Any agency, or business entity engaged in interstate commerce, that uses, accesses, transmits, stores, disposes of, or collects sensitive personally identifiable information that the agency or business entity does not own or license shall notify the owner or licensee of the information following the discovery of a security breach involving such information.

(2) NOTICE BY OWNER, LICENSEE, OR OTHER DESIGNATED THIRD PARTY.—Nothing in this title shall prevent or abrogate an agreement between an agency or business entity required to give notice under this section and a designated third party, including an owner or licensee of the sensitive personally identifiable information subject to the security breach, to provide the notifications required under subsection (a).

(3) BUSINESS ENTITY RELIEVED FROM GIVING NOTICE.—A business entity obligated to give notice under subsection (a) shall be relieved of such obligation if an owner or licensee of the sensitive personally identifiable information subject to the security breach, or other designated third party, provides such notification.

(4) SERVICE PROVIDERS.—If a service provider becomes aware of a security breach of data in electronic form containing sensitive personal information that is owned or possessed by another business entity that connects to or uses a system or network provided by the service provider for the purpose of transmitting, routing, or providing intermediate or transient storage of such data, the service provider shall be required to notify the business entity who initiated such connection, transmission, routing, or storage of the security breach if the business entity can be reasonably identified. Upon receiving such notification from a service provider, the business entity shall be required to provide the notification required under subsection (a).

(c) TIMELINESS OF NOTIFICATION.—

(1) IN GENERAL.—All notifications required under this section shall be made without unreasonable delay following the discovery by the agency or business entity of a security breach.

(2) REASONABLE DELAY.—

(A) IN GENERAL.—Reasonable delay under this subsection may include any time necessary to determine the scope of the security breach, prevent further disclosures, conduct the risk assessment described in section 202(b)(1)(A), and restore the reasonable integrity of the data system and provide notice to law enforcement when required.

(B) EXTENSION.—

(i) IN GENERAL.—Except as provided in section 202, delay of notification shall not exceed 60 days following the discovery of the security breach, unless the business entity or agency request an extension of time and the Federal Trade Commission determines in writing that additional time is reasonably necessary to determine the scope of the security breach, prevent further disclosures, conduct the risk assessment, restore the reasonable integrity of the data system, or to provide notice to the entity designated by the Secretary of Homeland Security pursuant to section 206.

(ii) APPROVAL OF REQUEST.—If the Federal Trade Commission approves the request for delay, the agency or business entity may delay the time period for notification for additional periods of up to 30 days.

(3) BURDEN OF PRODUCTION.—The agency, business entity, owner, or licensee required to provide notice under this title shall, upon the request of the Attorney General or the Federal Trade Commission provide records or other evidence of the notifications required under this title, including to the extent applicable, the reasons for any delay of notification.

(d) DELAY OF NOTIFICATION AUTHORIZED FOR LAW ENFORCEMENT OR NATIONAL SECURITY PURPOSES.—

(1) IN GENERAL.—If the United States Secret Service or the Federal Bureau of Investigation determines that the notification required under this section would impede a criminal investigation, or national security activity, such notification shall be delayed upon written notice from the United States Secret Service or the Federal Bureau of Investigation to the agency or business entity that experienced the breach. The notification from the United States Secret Service or the Federal Bureau of Investigation shall specify in writing the period of delay requested for law enforcement or national security purposes.

(2) EXTENDED DELAY OF NOTIFICATION.—If the notification required under subsection (a) is delayed pursuant to paragraph (1), an agency or business entity shall give notice 30 days after the day such law enforcement or national security delay was invoked unless a Federal law enforcement or intelligence agency provides written notification that further delay is necessary.

(3) LAW ENFORCEMENT IMMUNITY.—No nonconstitutional cause of action shall lie in any court against any agency for acts relating to the delay of notification for law enforcement or national security purposes under this title.

(e) LIMITATIONS.—Notwithstanding any other obligation under this title, this title does not apply to the following:

(1) FINANCIAL INSTITUTIONS.—Financial institutions—

(A) subject to the data security requirements and standards under section 501(b) of the Gramm-Leach-Bliley Act (15 U.S.C. 6801(b)); and

(B) subject to the jurisdiction of an agency or authority described in section 505(a) of the Gramm-Leach-Bliley Act (15 U.S.C. 6805(a)).

(2) HIPAA REGULATED ENTITIES.—

(A) COVERED ENTITIES.—Covered entities subject to the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1301 et seq.), including the data security requirements and implementing regulations of that Act.

(B) BUSINESS ENTITIES.—A business entity shall be deemed in compliance with this division if the business entity—

(i)(I) is acting as a covered entity and as a business associate, as those terms are defined under the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1301 et seq.) and is in compliance with the requirements imposed under that Act and implementing regulations promulgated under that Act; and

(II) is subject to, and currently in compliance, with the data breach notification, privacy and data security requirements under the Health Information Technology for Economic and Clinical Health (HITECH) Act, (42 U.S.C. 17932) and implementing regulations promulgated thereunder; or

(ii) is acting as a vendor of personal health records and third party service provider, subject to the Health Information Technology for Economic and Clinical Health (HITECH) Act (42 U.S.C. 17937), including the data breach notification requirements and implementing regulations of that Act.

SEC. 202. EXEMPTIONS.

(a) EXEMPTION FOR NATIONAL SECURITY AND LAW ENFORCEMENT.—

(1) IN GENERAL.—Section 201 shall not apply to an agency or business entity if—

(A) the United States Secret Service or the Federal Bureau of Investigation determines that notification of the security breach could be expected to reveal sensitive sources and methods or similarly impede the ability of the Government to conduct law enforcement investigations; or

(B) the Federal Bureau of Investigation determines that notification of the security breach could be expected to cause damage to the national security.

(2) IMMUNITY.—No nonconstitutional cause of action shall lie in any court against any Federal agency for acts relating to the exemption from notification for law enforcement or national security purposes under this title.

(b) SAFE HARBOR.—

(1) IN GENERAL.—An agency or business entity shall be exempt from the notice requirements under section 201, if—

(A) a risk assessment conducted by the agency or business entity concludes that, based upon the information available, there is no significant risk that a security breach has resulted in, or will result in, identity theft, economic loss or harm, or physical harm to the individuals whose sensitive personally identifiable information was subject to the security breach;

(B) without unreasonable delay, but not later than 45 days after the discovery of a security breach, unless extended by the Federal Trade Commission, the agency or business entity notifies the Federal Trade Commission, in writing, of—

(i) the results of the risk assessment; and

(ii) its decision to invoke the risk assessment exemption; and

(C) the Federal Trade Commission does not indicate, in writing, within 10 business days from receipt of the decision, that notice should be given.

(2) REBUTTABLE PRESUMPTIONS.—For purposes of paragraph (1)—

(A) the encryption of sensitive personally identifiable information described in paragraph (1)(A) shall establish a rebuttable presumption that no significant risk exists; and

(B) the rendering of sensitive personally identifiable information described in paragraph (1)(A) unusable, unreadable, or indecipherable through data security technology or methodology that is generally accepted by experts in the field of information security, such as redaction or access controls shall establish a rebuttable presumption that no significant risk exists.

(3) VIOLATION.—It shall be a violation of this section to—

(A) fail to conduct the risk assessment in a reasonable manner, or according to standards generally accepted by experts in the field of information security; or

(B) submit the results of a risk assessment that contains fraudulent or deliberately misleading information.

(c) FINANCIAL FRAUD PREVENTION EXEMPTION.—

(1) IN GENERAL.—A business entity will be exempt from the notice requirement under section 201 if the business entity utilizes or participates in a security program that—

(A) effectively blocks the use of the sensitive personally identifiable information to initiate unauthorized financial transactions before they are charged to the account of the individual; and

(B) provides for notice to affected individuals after a security breach that has resulted in fraud or unauthorized transactions.

(2) LIMITATION.—The exemption in paragraph (1) does not apply if the information subject to the security breach includes an individual's first and last name, or any other type of sensitive personally identifiable information as defined in section 3, unless that information is only a credit card number or credit card security code.

SEC. 203. METHODS OF NOTICE.

An agency or business entity shall be in compliance with section 201 if it provides the following:

(1) INDIVIDUAL NOTICE.—Notice to individuals by 1 of the following means:

(A) Written notification to the last known home mailing address of the individual in the records of the agency or business entity.

(B) Telephone notice to the individual personally.

(C) E-mail notice, if the individual has consented to receive such notice and the notice is consistent with the provisions permitting electronic transmission of notices under section 101 of the Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7001).

(2) MEDIA NOTICE.—Notice to major media outlets serving a State or jurisdiction, if the number of residents of such State whose sensitive personally identifiable information was, or is reasonably believed to have been, accessed or acquired by an unauthorized person exceeds 5,000.

SEC. 204. CONTENT OF NOTIFICATION.

(a) IN GENERAL.—Regardless of the method by which notice is provided to individuals under section 203, such notice shall include, to the extent possible—

(1) a description of the categories of sensitive personally identifiable information that was, or is reasonably believed to have been, accessed or acquired by an unauthorized person;

(2) a toll-free number—

(A) that the individual may use to contact the agency or business entity, or the agent of the agency or business entity; and

(B) from which the individual may learn what types of sensitive personally identifiable information the agency or business entity maintained about that individual; and

(3) the toll-free contact telephone numbers and addresses for the major credit reporting agencies.

(b) ADDITIONAL CONTENT.—Notwithstanding section 209, a State may require that a notice under subsection (a) shall also include information regarding victim protection assistance provided for by that State.

(c) DIRECT BUSINESS RELATIONSHIP.—Regardless of whether a business entity, agency, or a designated third party provides the notice required pursuant to section 201(b), such notice shall include the name of the business entity or agency that has a direct relationship with the individual being notified.

SEC. 205. COORDINATION OF NOTIFICATION WITH CREDIT REPORTING AGENCIES.

If an agency or business entity is required to provide notification to more than 5,000 individuals under section 201(a), the agency or business entity shall also notify all consumer reporting agencies that compile and maintain files on consumers on a nationwide basis (as defined in section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p)) of the timing and distribution of the notices. Such notice shall be given to the consumer credit reporting agencies without unreasonable delay and, if it will not delay notice to the affected individuals, prior to the distribution of notices to the affected individuals.

SEC. 206. NOTICE TO LAW ENFORCEMENT.

(a) DESIGNATION OF GOVERNMENT ENTITY TO RECEIVE NOTICE.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary of Homeland Security shall designate a Federal Government entity to receive the notices required under section 201 and this section, and any other reports and information about information security incidents, threats, and vulnerabilities.

(2) RESPONSIBILITIES OF THE DESIGNATED ENTITY.—The designated entity shall—

(A) be responsible for promptly providing the information that it receives to the United States Secret Service and the Federal Bureau of Investigation, and to the Federal Trade Commission for civil law enforcement purposes; and

(B) provide the information described in subparagraph (A) as appropriate to other Federal agencies for law enforcement, national security, or data security purposes.

(b) NOTICE.—Any business entity or agency shall notify the designated entity of the fact that a security breach has occurred if—

(1) the number of individuals whose sensitive personally identifying information was, or is reasonably believed to have been accessed or acquired by an unauthorized person exceeds 5,000;

(2) the security breach involves a database, networked or integrated databases, or other data system containing the sensitive personally identifiable information of more than 500,000 individuals nationwide;

(3) the security breach involves databases owned by the Federal Government; or

(4) the security breach involves primarily sensitive personally identifiable information

of individuals known to the agency or business entity to be employees and contractors of the Federal Government involved in national security or law enforcement.

(c) FTC RULEMAKING AND REVIEW OF THRESHOLDS.—Not later 1 year after the date of the enactment of this Act, the Federal Trade Commission, in consultation with the Attorney General of the United States and the Secretary of Homeland Security, shall promulgate regulations regarding the reports required under subsection (a). The Federal Trade Commission, in consultation with the Attorney General and the Secretary of Homeland Security, after notice and the opportunity for public comment, and in a manner consistent with this section, shall promulgate regulations, as necessary, under section 553 of title 5, United States Code, to adjust the thresholds for notice to law enforcement and national security authorities under subsection (a) and to facilitate the purposes of this section.

(d) TIMING.—The notice required under subsection (a) shall be provided as promptly as possible, but such notice must be provided either 72 hours before notice is provided to an individual pursuant to section 201, or not later than 10 days after the business entity or agency discovers the security breach or discovers that the nature of the security breach requires notice to law enforcement under this section, whichever occurs first.

SEC. 207. ENFORCEMENT.

(a) IN GENERAL.—The Attorney General of the United States and the Federal Trade Commission may enforce civil violations of section 201.

(b) CIVIL ACTIONS BY THE ATTORNEY GENERAL OF THE UNITED STATES.—

(1) IN GENERAL.—The Attorney General may bring a civil action in the appropriate United States district court against any business entity that engages in conduct constituting a violation of this title and, upon proof of such conduct by a preponderance of the evidence, such business entity shall be subject to a civil penalty of not more than $11,000 per day per security breach.

(2) PENALTY LIMITATION.—Notwithstanding any other provision of law, the total amount of the civil penalty assessed against a business entity for conduct involving the same or related acts or omissions that results in a violation of this title may not exceed $1,000,000.

(3) DETERMINATIONS.—The determination of whether a violation of a provision of this title has occurred, and if so, the amount of the penalty to be imposed, if any, shall be made by the court sitting as the finder of fact. The determination of whether a violation of a provision of this title was willful or intentional, and if so, the amount of the additional penalty to be imposed, if any, shall be made by the court sitting as the finder of fact.

(4) ADDITIONAL PENALTY LIMIT.—If a court determines under paragraph (3) that a violation of a provision of this title was willful or intentional and imposes an additional penalty, the court may not impose an additional penalty in an amount that exceeds $1,000,000.

(c) INJUNCTIVE ACTIONS BY THE ATTORNEY GENERAL.—

(1) IN GENERAL.—If it appears that a business entity has engaged, or is engaged, in any act or practice constituting a violation of this title, the Attorney General may petition an appropriate district court of the United States for an order—

(A) enjoining such act or practice; or

(B) enforcing compliance with this title.

(2) ISSUANCE OF ORDER.—A court may issue an order under paragraph (1), if the court finds that the conduct in question constitutes a violation of this title.

(d) CIVIL ACTIONS BY THE FEDERAL TRADE COMMISSION.—

(1) IN GENERAL.—Compliance with the requirements imposed under this title may be enforced under the Federal Trade Commission Act (15 U.S.C. 41 et seq.) by the Federal Trade Commission with respect to business entities subject to this division. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Federal Trade Commission to enforce compliance by any person with the requirements imposed under this title.

(2) PENALTY LIMITATION.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the total sum of civil penalties assessed against a business entity for all violations of the provisions of this title resulting from the same or related acts or omissions may not exceed $1,000,000, unless such conduct is found to be willful or intentional.

(B) DETERMINATIONS.—The determination of whether a violation of a provision of this title has occurred, and if so, the amount of the penalty to be imposed, if any, shall be made by the court sitting as the finder of fact. The determination of whether a violation of a provision of this title was willful or intentional, and if so, the amount of the additional penalty to be imposed, if any, shall be made by the court sitting as the finder of fact.

(C) ADDITIONAL PENALTY LIMIT.—If a court determines under subparagraph (B) that a violation of a provision of this title was willful or intentional and imposes an additional penalty, the court may not impose an additional penalty in an amount that exceeds $1,000,000.

(3) UNFAIR OR DECEPTIVE ACTS OR PRACTICES.—For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement or prohibition imposed under this title shall constitute an unfair or deceptive act or practice in commerce in violation of a regulation under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(I)(B)) regarding unfair or deceptive acts or practices and shall be subject to enforcement by the Federal Trade Commission under that Act with respect to any business entity, irrespective of whether that business entity is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act.

(e) COORDINATION OF ENFORCEMENT.—

(1) IN GENERAL.—Before opening an investigation, the Federal Trade Commission shall consult with the Attorney General.

(2) LIMITATION.—The Federal Trade Commission may initiate investigations under this subsection unless the Attorney General determines that such an investigation would impede an ongoing criminal investigation or national security activity.

(3) COORDINATION AGREEMENT.—

(A) IN GENERAL.—In order to avoid conflicts and promote consistency regarding the enforcement and litigation of matters under this division, not later than 180 days after the enactment of this Act, the Attorney General and the Commission shall enter into an agreement for coordination regarding the enforcement of this division

(B) REQUIREMENT.—The coordination agreement entered into under subparagraph (A) shall include provisions to ensure that parallel investigations and proceedings under this section are conducted in a matter that avoids conflicts and does not impede the ability of the Attorney General to prosecute violations of Federal criminal laws.

(4) COORDINATION WITH THE FCC.—If an enforcement action under this division relates to customer proprietary network information, the Federal Trade Commission shall coordinate the enforcement action with the Federal Communications Commission.

(f) RULEMAKING.—The Federal Trade Commission may, in consultation with the Attorney General, issue such other regulations as it determines to be necessary to carry out this title. All regulations promulgated under this division shall be issued in accordance with section 553 of title 5, United States Code. Where regulations relate to customer proprietary network information, the promulgation of such regulations will be coordinated with the Federal Communications Commission.

(g) OTHER RIGHTS AND REMEDIES.—The rights and remedies available under this title are cumulative and shall not affect any other rights and remedies available under law.

(h) FRAUD ALERT.—Section 605A(b)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681c–1(b)(1)) is amended by inserting ‘‘, or evidence that the consumer has received notice that the consumer’s financial information has or may have been compromised,’’ after ‘‘identity theft report’’.

SEC. 208. ENFORCEMENT BY STATE ATTORNEYS GENERAL.

(a) IN GENERAL.—

(1) CIVIL ACTIONS.—In any case in which the attorney general of a State or any State or local law enforcement agency authorized by the State attorney general or by State statute to prosecute violations of consumer protection law, has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by the engagement of a business entity in a practice that is prohibited under this title, the State or the State or local law enforcement agency on behalf of the residents of the agency’s jurisdiction, may bring a civil action on behalf of the residents of the State or jurisdiction in a district court of the United States of appropriate jurisdiction to—

(A) enjoin that practice;

(B) enforce compliance with this title; or

(C) civil penalties of not more than $11,000 per day per security breach up to a maximum of $1,000,000 per violation, unless such conduct is found to be willful or intentional.

(2) PENALTY LIMITATION.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the total sum of civil penalties assessed against a business entity for all violations of the provisions of this title resulting from the same or related acts or omissions may not exceed $1,000,000, unless such conduct is found to be willful or intentional.

(B) DETERMINATIONS.—The determination of whether a violation of a provision of this title has occurred, and if so, the amount of the penalty to be imposed, if any, shall be made by the court sitting as the finder of fact. The determination of whether a violation of a provision of this title was willful or intentional, and if so, the amount of the additional penalty to be imposed, if any, shall be made by the court sitting as the finder of fact.

(C) ADDITIONAL PENALTY LIMIT.—If a court determines under subparagraph (B) that a violation of a provision of this title was willful or intentional and imposes an additional penalty, the court may not impose an additional penalty in an amount that exceeds $1,000,000.

(3) NOTICE.—

(A) IN GENERAL.—Before filing an action under paragraph (1), the attorney general of the State involved shall provide to the Attorney General of the United States—

(i) written notice of the action; and

(ii) a copy of the complaint for the action.

(B) EXEMPTION.—

(i) IN GENERAL.—Subparagraph (A) shall not apply with respect to the filing of an action by an attorney general of a State under this title, if the State attorney general determines that it is not feasible to provide the notice described in such subparagraph before the filing of the action.

(ii) NOTIFICATION.—In an action described in clause (i), the attorney general of a State shall provide notice and a copy of the complaint to the Attorney General at the time the State attorney general files the action.

(b) FEDERAL PROCEEDINGS.—Upon receiving notice under subsection (a)(3), the Attorney General shall have the right to—

(1) move to stay the action, pending the final disposition of a pending Federal proceeding or action;

(2) initiate an action in the appropriate United States district court under section 207 and move to consolidate all pending actions, including State actions, in such court;

(3) intervene in an action brought under subsection (a)(1); and

(4) file petitions for appeal.

(c) PENDING PROCEEDINGS.—If the Attorney General or the Federal Trade Commission initiate a criminal proceeding or civil action for a violation of a provision of this title, or any regulations thereunder, no attorney general of a State may bring an action for a violation of a provision of this title against a defendant named in the Federal criminal proceeding or civil action.

(d) CONSTRUCTION.—For purposes of bringing any civil action under subsection (a), nothing in this title regarding notification shall be construed to prevent an attorney general of a State from exercising the powers conferred on such attorney general by the laws of that State to—

(1) conduct investigations;

(2) administer oaths or affirmations; or

(3) compel the attendance of witnesses or the production of documentary and other evidence.

(e) VENUE; SERVICE OF PROCESS.—

(1) VENUE.—Any action brought under subsection (a) may be brought in—

(A) the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code; or

(B) another court of competent jurisdiction.

(2) SERVICE OF PROCESS.—In an action brought under subsection (a), process may be served in any district in which the defendant—

(A) is an inhabitant; or

(B) may be found.

(f) NO PRIVATE CAUSE OF ACTION.—Nothing in this title establishes a private cause of action against a business entity for violation of any provision of this title.

SEC. 209. EFFECT ON FEDERAL AND STATE LAW.

For any entity, or agency that is subject to this title, the provisions of this title shall supersede any other provision of Federal law, or any provisions of the law of any State, relating to notification of a security breach, except as provided in section 204(b). Nothing in this title shall be construed to modify, limit, or supersede the operation of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.) or its implementing regulations, including those regulations adopted or enforced by States, the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1301 et seq.) or its implementing regulations, or the Health Information Technology for Economic and Clinical Health Act (42 U.S.C. 17937) or its implementing regulations.

SEC. 210. REPORTING ON EXEMPTIONS.

(a) FTC REPORT.—Not later than 18 months after the date of enactment of this Act, and upon request by Congress thereafter, the Federal Trade Commission shall submit a report to Congress on the number and nature of the security breaches described in the notices filed by those business entities invoking the risk assessment exemption under section 202(b) and their response to such notices.

(b) LAW ENFORCEMENT REPORT.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, and upon the request by Congress thereafter, the United States Secret Service and Federal Bureau of Investigation shall submit a report to Congress on the number and nature of security breaches subject to the national security and law enforcement exemptions under section 202(a).

(2) REQUIREMENT.—The report required under paragraph (1) shall not include the contents of any risk assessment provided to the United States Secret Service and the Federal Bureau of Investigation under this title.

SEC. 211. EFFECTIVE DATE.

This title shall take effect 90 days after the date of enactment of this Act.

TITLE III—COMPLIANCE WITH STATUTORY PAY-AS-YOU-GO ACT

SEC. 301. BUDGET COMPLIANCE.

The budgetary effects of this division, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this division, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

SA 2579. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 3414, to enhance the security and resiliency of the cyber and communications infrastructure of the United States; which was ordered to lie on the table; as follows:

At the end, insert the following:

TITLE ____—CYBER CRIME PROTECTION SECURITY ACT

SEC. __01. SHORT TITLE.

This title may be cited as the ''Cyber Crime Protection Security Act''.

SEC. __02. ORGANIZED CRIMINAL ACTIVITY IN CONNECTION WITH UNAUTHORIZED ACCESS TO PERSONALLY IDENTIFIABLE INFORMATION.

Section 1961(1) of title 18, United States Code, is amended by inserting ''section 1030 (relating to fraud and related activity in connection with computers) if the act is a felony,'' before ''section 1084''.

SEC. __03. PENALTIES FOR FRAUD AND RELATED ACTIVITY IN CONNECTION WITH COMPUTERS.

Section 1030(c) of title 18, United States Code, is amended to read as follows:

''(c) The punishment for an offense under subsection (a) or (b) of this section is—

''(1) a fine under this title or imprisonment for not more than 20 years, or both, in the case of an offense under subsection (a)(1) of this section;

''(2)(A) except as provided in subparagraph (B), a fine under this title or imprisonment for not more than 3 years, or both, in the case of an offense under subsection (a)(2); or

''(B) a fine under this title or imprisonment for not more than ten years, or both, in the case of an offense under paragraph (a)(2) of this section, if—

''(i) the offense was committed for purposes of commercial advantage or private financial gain;

''(ii) the offense was committed in the furtherance of any criminal or tortious act in violation of the Constitution or laws of the United States, or of any State; or

''(iii) the value of the information obtained, or that would have been obtained if the offense was completed, exceeds $5,000;

''(3) a fine under this title or imprisonment for not more than 1 year, or both, in the case of an offense under subsection (a)(3) of this section;

''(4) a fine under this title or imprisonment of not more than 20 years, or both, in the case of an offense under subsection (a)(4) of this section;

''(5)(A) except as provided in subparagraph (D), a fine under this title, imprisonment for not more than 20 years, or both, in the case of an offense under subsection (a)(5)(A) of this section, if the offense caused—

''(i) loss to 1 or more persons during any 1-year period (and, for purposes of an investigation, prosecution, or other proceeding brought by the United States only, loss resulting from a related course of conduct affecting 1 or more other protected computers) aggregating at least $5,000 in value;

''(ii) the modification or impairment, or potential modification or impairment, of the medical examination, diagnosis, treatment, or care of 1 or more individuals;

''(iii) physical injury to any person;

''(iv) a threat to public health or safety;

''(v) damage affecting a computer used by, or on behalf of, an entity of the United States Government in furtherance of the administration of justice, national defense, or national security; or

''(vi) damage affecting 10 or more protected computers during any 1-year period;

''(B) a fine under this title, imprisonment for not more than 10 years, or both, in the case of an offense under subsection (a)(5)(B), if the offense caused a harm provided in clause (i) through (vi) of subparagraph (A) of this subsection;

''(C) if the offender attempts to cause or knowingly or recklessly causes death from conduct in violation of subsection (a)(5)(A), a fine under this title, imprisonment for any term of years or for life, or both; or

''(D) a fine under this title, imprisonment for not more than 1 year, or both, for any other offense under subsection (a)(5);

''(6) a fine under this title or imprisonment for not more than 10 years, or both, in the case of an offense under subsection (a)(6) of this section; or

''(7) a fine under this title or imprisonment for not more than 10 years, or both, in the case of an offense under subsection (a)(7) of this section.''.

SEC. __04. TRAFFICKING IN PASSWORDS.

Section 1030(a) of title 18, United States Code, is amended by striking paragraph (6) and inserting the following:

''(6) knowingly and with intent to defraud traffics (as defined in section 1029) in—

''(A) any password or similar information or means of access through which a protected computer as defined in subparagraphs (A) and (B) of subsection (e)(2) may be accessed without authorization; or

''(B) any means of access through which a protected computer as defined in subsection (e)(2)(A) may be accessed without authorization.''.

SEC. __05. CONSPIRACY AND ATTEMPTED COMPUTER FRAUD OFFENSES.

Section 1030(b) of title 18, United States Code, is amended by inserting ''for the completed offense'' after ''punished as provided''.

SEC. __06. CRIMINAL AND CIVIL FORFEITURE FOR FRAUD AND RELATED ACTIVITY IN CONNECTION WITH COMPUTERS.

Section 1030 of title 18, United States Code, is amended by striking subsections (i) and (j) and inserting the following:

''(i) CRIMINAL FORFEITURE.—

''(1) The court, in imposing sentence on any person convicted of a violation of this section, or convicted of conspiracy to violate this section, shall order, in addition to any other sentence imposed and irrespective of any provision of State law, that such person forfeit to the United States—

''(A) such person's interest in any property, real or personal, that was used, or intended to be used, to commit or facilitate the commission of such violation; and

''(B) any property, real or personal, constituting or derived from any gross proceeds, or any property traceable to such property, that such person obtained, directly or indirectly, as a result of such violation.

''(2) The criminal forfeiture of property under this subsection, including any seizure and disposition of the property, and any related judicial or administrative proceeding, shall be governed by the provisions of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853), except subsection (d) of that section.

''(j) CIVIL FORFEITURE.—

''(1) The following shall be subject to forfeiture to the United States and no property right, real or personal, shall exist in them:

''(A) Any property, real or personal, that was used, or intended to be used, to commit or facilitate the commission of any violation of this section, or a conspiracy to violate this section.

''(B) Any property, real or personal, constituting or derived from any gross proceeds obtained directly or indirectly, or any property traceable to such property, as a result of the commission of any violation of this section, or a conspiracy to violate this section.

''(2) Seizures and forfeitures under this subsection shall be governed by the provisions in chapter 46 of title 18, United States Code, relating to civil forfeitures, except that such duties as are imposed on the Secretary of the Treasury under the customs laws described in section 981(d) of title 18, United States Code, shall be performed by such officers, agents and other persons as may be designated for that purpose by the Secretary of Homeland Security or the Attorney General.''.

SEC. __07. DAMAGE TO CRITICAL INFRASTRUCTURE COMPUTERS.

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by inserting after section 1030 the following:

''SEC. 1030A. AGGRAVATED DAMAGE TO A CRITICAL INFRASTRUCTURE COMPUTER.

''(a) DEFINITIONS.—In this section—

''(1) the terms 'computer' and 'damage' have the meanings given such terms in section 1030; and

''(2) the term 'critical infrastructure computer' means a computer that manages or controls systems or assets vital to national defense, national security, national economic security, public health or safety, or any combination of those matters, whether publicly or privately owned or operated, including—

''(A) gas and oil production, storage, and delivery systems;

''(B) water supply systems;

''(C) telecommunication networks;

''(D) electrical power delivery systems;

''(E) finance and banking systems;

''(F) emergency services;

''(G) transportation systems and services; and

''(H) government operations that provide essential services to the public.

''(b) OFFENSE.—It shall be unlawful to, during and in relation to a felony violation of section 1030, intentionally cause or attempt to cause damage to a critical infrastructure computer, and such damage results in (or, in the case of an attempt, would, if completed have resulted in) the substantial impairment—

''(1) of the operation of the critical infrastructure computer; or

''(2) of the critical infrastructure associated with the computer.

''(c) PENALTY.—Any person who violates subsection (b) shall be fined under this title, imprisoned for not less than 3 years nor more than 20 years, or both.

''(d) CONSECUTIVE SENTENCE.—Notwithstanding any other provision of law—

''(1) a court shall not place on probation any person convicted of a violation of this section;

''(2) except as provided in paragraph (4), no term of imprisonment imposed on a person under this section shall run concurrently with any other term of imprisonment, including any term of imprisonment imposed on the person under any other provision of law, including any term of imprisonment imposed for the felony violation section 1030;

''(3) in determining any term of imprisonment to be imposed for a felony violation of section 1030, a court shall not in any way reduce the term to be imposed for such crime so as to compensate for, or otherwise take into account, any separate term of imprisonment imposed or to be imposed for a violation of this section; and

''(4) a term of imprisonment imposed on a person for a violation of this section may, in the discretion of the court, run concurrently, in whole or in part, only with another term of imprisonment that is imposed by the court at the same time on that person for an additional violation of this section, provided that such discretion shall be exercised in accordance with any applicable guidelines and policy statements issued by the United States Sentencing Commission pursuant to section 994 of title 28.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 47 of title 18, United States Code, is amended by inserting after the item relating to section 1030 the following:

''Sec. 1030A. Aggravated damage to a critical infrastructure computer.''.

SEC. __08. LIMITATION ON ACTIONS INVOLVING UNAUTHORIZED USE.

Section 1030(e)(6) of title 18, United States Code, is amended by striking ''alter;'' and inserting ''alter, but does not include access in violation of a contractual obligation or agreement, such as an acceptable use policy or terms of service agreement, with an Internet service provider, Internet website, or non-government employer, if such violation constitutes the sole basis for determining that access to a protected computer is unauthorized;''.

SA 2580. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 3414, to enhance the security and resiliency of the cyber and communications infrastructure of the United States; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE VIII—PRIVACY PROTECTIONS

Subtitle A—Video Privacy Protection

SEC. 821. SHORT TITLE.

This subtitle may be cited as the ''Video Privacy Protection Act Amendments Act of 2012''.

SEC. 822. VIDEO PRIVACY PROTECTION ACT AMENDMENT.

Section 2710(b)(2) of title 18, United States Code, is amended by striking subparagraph (B) and inserting the following:

''(B) to any person with the informed, written consent (including through an electronic means using the Internet) of the consumer that—

''(i) is in a form distinct and separate from any form setting forth other legal or financial obligations of the consumer;

''(ii)(I) is given at time the disclosure is sought; or

''(II) is given in advance for a set period of time or until consent is withdrawn by the consumer; and

''(iii) the video tape service provider has provided an opportunity, in a clear and conspicuous manner, for the consumer to withdraw on a case-by-case basis or to withdraw for ongoing disclosures;''.

Subtitle B—Electronic Communications Privacy

SEC. 841. SHORT TITLE.

This subtitle may be cited as the ''Electronic Communications Privacy Act Amendments Act of 2012''.

SEC. 842. CONFIDENTIALITY OF ELECTRONIC COMMUNICATIONS.

Section 2702(a)(3) of title 18, United States Code, is amended to read as follows:

''(3) a provider of electronic communication service, or remote computing service to the public shall not knowingly divulge to any governmental entity the contents of any communication described in section 2703(a), or any record or other information pertaining to a subscriber or customer of such service.''.

SEC. 843. ELIMINATION OF 180-DAY RULE; SEARCH WARRANT REQUIREMENT; REQUIRED DISCLOSURE OF CUSTOMER RECORDS.

(a) IN GENERAL.—Section 2703 of title 18, United States Code, is amended by striking subsections (a), (b), and (c) and inserting the following:

''(a) CONTENTS OF WIRE OR ELECTRONIC COMMUNICATIONS.—A governmental entity may require the disclosure by a provider of electronic communication service, or remote computing service of the contents of a wire or electronic communication that is in electronic storage with or otherwise stored, held, or maintained by the provider if the governmental entity obtains a warrant issued using the procedures described in the Federal Rules of Criminal Procedure (or, in the case of a State court, issued using State warrant procedures) that is issued by a court of competent jurisdiction directing the disclosure.

''(b) NOTICE.—Except as provided in section 2705, not later than 3 days after a governmental entity receives the contents of a wire or electronic communication of a subscriber or customer from a provider of electronic communication service, or remote computing service under subsection (a), the governmental entity shall serve upon, or deliver to by registered or first-class mail, electronic mail, or other means reasonably calculated to be effective, as specified by the court issuing the warrant, the subscriber or customer—

''(1) a copy of the warrant; and

''(2) a notice that includes the information referred to in section 2705(a)(5)(B)(i).

''(c) RECORDS CONCERNING ELECTRONIC COMMUNICATION SERVICE, OR REMOTE COMPUTING SERVICE.—

''(1) IN GENERAL.—Subject to paragraph (2), a governmental entity may require a provider of electronic communication service, or remote computing service to disclose a record or other information pertaining to a subscriber or customer of the provider or service (not including the contents of communications), only if the governmental entity—

''(A) obtains a warrant issued using the procedures described in the Federal Rules of Criminal Procedure (or, in the case of a State court, issued using State warrant procedures) that is issued by a court of competent jurisdiction directing the disclosure;

''(B) obtains a court order directing the disclosure under subsection (d);

''(C) has the consent of the subscriber or customer to the disclosure; or

''(D) submits a formal written request relevant to a law enforcement investigation concerning telemarketing fraud for the name, address, and place of business of a subscriber or customer of the provider or service that is engaged in telemarketing (as defined in section 2325).

''(2) SUBPOENAS.—A provider of electronic communication service, or remote computing service shall, in response to an administrative subpoena authorized by Federal or State statute or a Federal or State grand jury or trial subpoena, disclose to a governmental entity the—

''(A) name;

''(B) address;

''(C) local and long distance telephone connection records, or records of session times and durations;

''(D) length of service (including start date) and types of service used;

''(E) telephone or instrument number or other subscriber number or identity, including any temporarily assigned network address; and

''(F) means and source of payment for such service (including any credit card or bank account number), of a subscriber or customer of such service.

''(3) NOTICE NOT REQUIRED.—A governmental entity that receives records or information under this subsection is not required to provide notice to a subscriber or customer.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Section 2703(d) of title 18, United States Code, is amended—

(1) by striking ''A court order for disclosure under subsection (b) or (c)'' and inserting ''A court order for disclosure under subsection (c)''; and

(2) by striking ''the contents of a wire or electronic communication, or''.

SEC. 844. DELAYED NOTICE.

Section 2705 of title 18, United States Code, is amended to read as follows:

''§ 2705. Delayed notice

''(a) DELAY OF NOTIFICATION.—

''(1) IN GENERAL.—A governmental entity that is seeking a warrant under section 2703(a) may include in the application for the warrant a request for an order delaying the notification required under section 2703(a) for a period of not more than 90 days.

''(2) DETERMINATION.—A court shall grant a request for delayed notification made under paragraph (1) if the court determines that there is reason to believe that notification of the existence of the warrant may result in—

''(A) endangering the life or physical safety of an individual;

''(B) flight from prosecution;

''(C) destruction of or tampering with evidence;

''(D) intimidation of potential witnesses; or

''(E) otherwise seriously jeopardizing an investigation or unduly delaying a trial.

''(3) EXTENSION.—Upon request by a governmental entity, a court may grant 1 or more extensions of the delay of notification granted under paragraph (2) of not more than 90 days.

''(4) EXPIRATION OF THE DELAY OF NOTIFICATION.—Upon expiration of the period of delay of notification under paragraph (2) or (3), the governmental entity shall serve upon, or deliver to by registered or first-class mail, electronic mail or other means reasonably calculated to be effective as specified by the court approving the search warrant, the customer or subscriber—

''(A) a copy of the warrant; and

''(B) notice that informs the customer or subscriber—

''(i) that information maintained for the customer or subscriber by the provider of electronic communication service, or remote computing service named in the process or request was supplied to, or requested by, the governmental entity;

''(ii) of the date on which the warrant was served on the provider and the date on which the information was provided by the provider to the governmental entity;

''(iii) that notification of the customer or subscriber was delayed;

''(iv) the identity of the court authorizing the delay; and

''(v) of the provision of this chapter under which the delay was authorized.

''(b) PRECLUSION OF NOTICE TO SUBJECT OF GOVERNMENTAL ACCESS.—

''(1) IN GENERAL.—A governmental entity that is obtaining the contents of a communication or information or records under section 2703 may apply to a court for an order directing a provider of electronic communication service, or remote computing service to which a warrant, order, subpoena, or other directive under section 2703 is directed not to notify any other person of the existence of the warrant, order, subpoena, or other directive for a period of not more than 90 days.

''(2) DETERMINATION.—A court shall grant a request for an order made under paragraph (1) if the court determines that there is reason to believe that notification of the existence of the warrant, order, subpoena, or other directive may result in—

''(A) endangering the life or physical safety of an individual;

''(B) flight from prosecution;

''(C) destruction of or tampering with evidence;

''(D) intimidation of potential witnesses;

''(E) otherwise seriously jeopardizing an investigation or unduly delaying a trial; or

''(F) endangering national security.

''(3) EXTENSION.—Upon request by a governmental entity, a court may grant 1 or more extensions of an order granted under paragraph (2) of not more than 90 days.''.

NOTICES OF HEARINGS

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. HARKIN. Mr. President, I wish to announce that the Committee on Health, Education, Labor, and Pensions will meet in open session on Thursday, July 26, 2012, at 10 a.m. in room SD–430 in the Dirksen Senate Office Building to conduct a hearing entitled ''CCDBG Reauthorization: Helping to Meet the Child Care Needs of American Families.''

For further information regarding this meeting, please contact Jessica McNiece of the committee staff at (202) 224–9243.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Senate Committee on Energy and Natural Resources. The hearing will be held on Monday, August 6, 2012, at 2 p.m., in Contois Auditorium in the Burlington City Hall, 149 Church Street, Burlington, VT 05401.

The purpose of the hearing is to examine gasoline price and margin dynamics within the State of Vermont.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record may do so by sending it to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150, or by e-mail to Symone_Green@energy.senate.gov.

For further information, please contact Hannah Breul at (202) 224–4756 or Symone Green at (202) 224–1219, or Abigail Campbell at (202) 224–4905.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 25, 2012, at 10 a.m., in room 253 of the Russell Senate Office Building.

The Committee will hold a hearing entitled, ''The International Space Station: a Platform for Research, Collaboration, and Discovery.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 25, 2012, at 2:30 p.m., in room 253 of the Russell Senate Office Building.

The Committee will hold a hearing entitled, ''Short-Supply Prescription Drugs: Shining a Light on the Gray Market.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on July 25, 2012, at 2:30 p.m., in room SD–366 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BEGICH. 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 July 25, 2012, at 10 a.m. in room SD–406 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to

meet during the session of the Senate on July 25, 2012, at 10 a.m. in room SD–215 of the Dirksen Senate Office Building, to conduct a hearing entitled ''Education Tax Incentives and Tax Reform.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on July 25, 2012, at 3 p.m., to hold a hearing entitled ''Economic Statecraft: Increasing American Jobs Through Greater U.S.-Africa Trade and Investment (S. 2215, The Increasing American Jobs Through Greater Exports to Africa Act of 2012).''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on July 25, 2012, at 10 a.m., in room SH–216 of the Hart Senate Office Building, to conduct a hearing entitled ''Ensuring Judicial Independence Through Civics Education.''

The PRESIDING OFFICER. Without Objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. BEGICH. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet during the session of the Senate on July 25, 2012, at 2 p.m. in room 562 of the Dirksen Senate Office Building to conduct a hearing entitled ''Enhancing Women's Retirement Security.''

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY

Mr. BEGICH. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security be authorized to meet during the session of the Senate on July 25, 2012, at 2:30 p.m. to conduct a hearing entitled ''Assessing Grants Management Practices at Federal Agencies.''

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. CARDIN. Mr. President, I ask unanimous consent that Elizabeth Eickenberg, from Senator MERKLEY's staff, be granted floor privileges for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOR THE RELIEF OF SOPURUCHI CHUKWUEKE

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 464, S. 285.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 285) for the relief of Sopuruchi Chukwueke.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment, as follows:

(The part of the bill intended to be inserted is shown in italics.)

S. 285

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

SECTION 1. ADJUSTMENT OF STATUS.

(a) IN GENERAL.—Notwithstanding any other provision of law, for the purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Sopuruchi Chukwueke shall be deemed to have been lawfully admitted to, and remained in, the United States, and shall be eligible for adjustment of status to that of an alien lawfully admitted for permanent residence under section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) upon filing an application for such adjustment of status.

(b) APPLICATION AND PAYMENT OF FEES.—Subsection (a) shall apply only if the application for adjustment of status is filed with appropriate fees not later than 2 years after the date of the enactment of this Act.

(c) REDUCTION OF IMMIGRANT VISA NUMBERS.—Upon the granting of permanent resident status to Sopuruchi Chukwueke, the Secretary of State shall instruct the proper officer to reduce by 1, during the current or next following fiscal year, the total number of immigrant visas that are made available to natives of the country of the birth of Sopuruchi Chukwueke under section 202(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1152(a)(2)).

(d) DENIAL OF PREFERENTIAL IMMIGRATION TREATMENT FOR CERTAIN RELATIVES.—The natural parents, brothers, and sisters of Sopuruchi Victor Chukwueke shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

Mr. GRASSLEY. Mr. President, I wish to express my support for S. 285, a private relief bill for Soptuuchi ''Victor'' Chukwueke.

Mr. Chukwueke has a compelling story. He has suffered a serious medical condition, was abandoned by his parents, and was brought to the U.S. at a young age. He has endured several surgeries as a result of his serious medical condition, and has overcome many barriers to get where he is today.

Despite his personal story and achievements, members of the Judiciary Committee were informed by Immigration and Customs Enforcement that he was an orphan and had no family in the U.S. or in Nigeria, his home country. We were led to believe that he had no family because that is how he represented himself during interviews with Federal agents. We found out later, however, that he still had a mother and father, and six siblings in Nigeria. Upon learning of this discrepancy, I immediately asked Immigration and Customs Enforcement to clear up these conflicting statements, and to provide any other background information or paper in his files, including interview notes to understand the line of questioning that took place between ICE and Mr. Chukwueke. ICE rejected sharing the file with members of the Judiciary Committee. After weeks of a standstill, ICE agreed to show committee staff what was in his alien file. The file was helpful because we could review interview notes, visa applications, pictures, and other notes on Mr. Chukwueke.

Upon completing the review of the file, committee staff held a conference call with Mr. Chukwueke. During that interview, Mr. Chukwueke stated that he told investigators that he believed he was an orphan and that he had no intention of lying. For the record, I ask unanimous consent to have printed in the RECORD a copy of the sworn affidavit that was provided by Mr. Chukwueke to ICE and to members of the Judiciary committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRASSLEY. The committee reported S. 285 out of committee on July 19. The committee-reported bill includes a provision that prohibits Mr. Chukwueke from using his status to sponsor immediate family for benefits under the Immigration and Nationality Act. The language in my amendment is identical to language used in other private relief bills. Similar language was included in bills in 1999 and 2000. Senator Levin, the sponsor of this private relief bill, supported the amendment.

We always consider private relief bills on a case-by-case basis. In the case of Mr. Chukwueke, we were told that he did not have parents or family in the U.S. or in Nigeria. It turned out that was not the case. Those statements were inaccurate. He says he did not mean to mislead ICE agents about his family, but the fact is that he did. He did not tell the whole truth.

As I said, in previous private relief bills, we have excluded private bill recipients from sponsoring immediate family members. That is not to say that the family members are barred from ever entering the country. It simply means they cannot use the private bill recipient's special status to provide them a benefit or to gain derivative status.

There are many worthwhile people who want to come or remain in the United States. However, there are bad actors and people who will perpetuate fraud in order to do so. People will go to great lengths to come to the United States. We need to be worried about individuals who will take advantage of our open door policies and manipulate the system to get a benefit. We need to be watchful for potential fraud and abuse of the system.

If S. 285 passes the House and is sent to the President, Mr. Chukwueke may be able to attend medical school in the fall. He has the support of many upstanding individuals, including Senator

LEVIN. Mr. chukwueke is also supported by a number of people in his community. We received letters of recommendation from Wayne State University and the Daughters of Mary Mother of Mercy.

I wish Mr. Chukwueke the best of luck in his future endeavors.

EXHIBIT #1

AFFIDAVIT OF SOPURUCHI VICTOR CHUKWUEKE

I, Sopuruchi Victor Chukwueke, swear under penalty of perjury that the following is true and accurate to the best of my knowledge and belief:

1. My name is Sopuruchi Victor Chukwueke. I write this statement in support of S.B. 285, a private bill introduced on my behalf by U.S. Senator Carl Levin.

2. I was born in Nigeria on February 10, 1986. During my early childhood, I developed a benign tumor caused by Neurofibromatosis, which grew on my frontal and right facial area, subsequently resulting in a very significant facial deformity.

3. My mother took me to different hospitals for treatment but we were unable to find a facility or surgeon to treat my condition. At some point, she heard of a Catholic nun called Rev. Mother Paul Offiah who ran a handicap (orphanage) center for orphans, abandoned and neglected disabled children. The name of the center is called St. Vincent de Paul Handicap Center located in Umuahia, Abia, Nigeria. My mother took me there, explained the situation to Mother Offiah, and left me. I do not remember how old I was at that point, but I felt abandoned.

4. Rev. Mother Paul Offiah took me in, fed and clothed me and became my sole parental figure, offering both emotional and financial support. My mother kept in contact with Mother Paul Offiah and came a few times to visit me at the center. I spent all my time there and Mother Paul Offiah started making arrangements for me to come to United States for life-saving treatment.

5. Dr. Ian Jackson at Providence Hospital in Michigan agreed to perform the surgery free of charge. Several generous Nigerians assisted with the effort to raise funds to that I could travel to the U.S. for treatment.

6. On August 21, 2001, when I was 15, Mother Offiah brought me to the United States on a B–2 visa and left me in the care of Sister Immaculata Osueke and other nuns in Lansing, Michigan. She then went back to Nigeria. I was authorized to stay in the U.S. until August 29, 2002.

7. My application to Extend/Change Nonimmigrant Status was rejected twice, because I could not afford the visa fee at the time. Also, the evidence submitted was signed by a clinical social worker instead of a licensed physician. The delay in filing for the third time was in part because I was having surgery during that time. I had my second major surgery on January 14, 2003. That period was a very difficult and stressful time in my life, because I had to prepare for surgery, undergo the painful surgery and postoperative recovery, and at the same time worry about my visa status. I was just 16 years old at the time.

8. In February 2003, my mother and father signed sworn affidavits to give up their parental rights, so I could be adopted here in the United States.

9. In November 2003, I began to study for the GED at home while receiving treatment for Neurofibromatosis. In January 2004, I took the GED and passed it.

10. A few years later, in 2006, Mother Offiah died of a brain tumor, leaving me with no parental figure in Nigeria who could provide for and support me with my medical condition.

11. In May 2006, I enrolled at the Oakland Community College in Southfield, Michigan. My education was paid for by a Catholic benefactor, Mr. Jerry Burns.

12. In August 2008, I graduated from Oakland Community College with an AA in Science and in September 2008, I transferred to Wayne State University in Detroit, Michigan to pursue a Bachelor's Degree.

13. I had been abandoned by my family in an orphanage in Nigeria, and I felt I have no one to care for me there, especially after Mother Paul Offiah passed away. As I grew up in the United States and received medical treatment for my condition, I realized that my mother knew she could not provide for me and so she had entrusted me to the people who could take care of me. I realized that she had done the right thing at the time, given the circumstances. So I decided to reach out to my family again, especially my mother.

14. Sister Immaculata Osueke reached out to other nuns at the orphanage in Nigeria to get my mother's telephone number, so that I could try to reconnect with my family.

15. I was chosen to give the commencement speech at the Wayne State University graduation in 2011. Dr. Kenneth Honn, my research professor, said that he want to bring my mother to witness ''her son's graduation.'' He wrote an invitation letter for my mother to come visit me, but all of the travel arrangements were done by a Wayne State administrator, Mr. Christopher Harris. With the help of Dr. Honn, Mr. Harris, and Senator Levin's letter to the U.S. Consulate in Nigeria, my mother came to visit me at my graduation from Wayne State last year. It was the first time I had seen her in more than ten years. She arrived a few hours before my graduation and returned to Nigeria on May 16, 2011.

16. Since my arrival in Michigan in 2001, 1 have been in and out of the hospital, and ahve had seven major surgeries between 2002 and 2011 to remove the Neurofibromatosis and reconstruct my face.

17. In November 2011, I applied and was accepted by the University of Toledo, College of Medicine, conditioned on receiving lawful permanent residence in the United States on or before August 1, 2012.

Respectfully submitted,

Sopurucki Victor Chukwueke.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the committee-reported amendment be agreed to, the bill, as amended, be read a third time and passed, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee-reported amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The bill (H.R. 285), as amended, was passed.

(The bill will be printed in a future edition of the RECORD.)

SEQUESTRATION TRANSPARENCY ACT OF 2012

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 471, H.R. 5872.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 5872) to require the President to provide a report detailing the sequester required by the Budget Control Act of 2011 on January 2, 2013.

There being no objection, the Senate proceeded to consider the bill.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 5872) was ordered to a third reading, was read the third time, and passed.

ORDERS FOR THURSDAY, JULY 26, 2012

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Thursday, July 26; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, and the time for the two leaders be reserved for their use later in the day; that the majority leader be recognized, and that the first hour be equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. WHITEHOUSE. Mr. President, today the majority leader filed cloture on the motion to proceed to S. 3414, the Cybersecurity Act of 2012. If no agreement otherwise is reached, that vote would be on Friday. However, we hope to reach an agreement to hold that vote tomorrow.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. WHITEHOUSE. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 7:07 p.m., adjourned until Thursday, July 26, 2012, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

RANEE RAMASWAMY, OF MINNESOTA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2018, VICE MIGUEL CAMPANERIA, TERM EXPIRING.

PUBLIC HEALTH SERVICE

THE FOLLOWING CANDIDATES FOR PERSONNEL ACTION IN THE REGULAR CORPS OF THE COMMISSIONED

CORPS OF THE U.S. PUBLIC HEALTH SERVICE SUBJECT TO QUALIFICATIONS THEREFORE AS PROVIDED BY LAW AND REGULATIONS:

To be director grade

DONALD S. AHRENS
JAMES P. ALEXANDER, JR.
LAILA H. ALI
LISA H. ALLEE
MICHAEL R. ALLEN
TIMOTHY L. AMBROSE
JILL D. ANDERSON
MARK A. ANDERSON
ROBERT A. ANDERSON
ARLAN K. ANDREWS
DONALD C. ANTROBUS
DOLORES J. ATKINSON
STEVEN B. AUERBACH
NANCY J. BALASH
TECORA D. BALLOM
DRUE H. BARRETT
PEGGY A. BARROW
EDWARD D. BASHAW
CAROL A. BAXER
LINDA S. BEDKER
SILVIA BENINCASO
REGINA M. BENNETT
KATHERINE M. BERKHOUSEN
CARYN L. BERN
DAVID G. BEVERIDGE
JEFFREY T. BINGHAM
GEORGE G. BIRD
KRISTINE M. BISGARD
AMY S. BLOOM
ALICE Y. BOUDREAU
J R. BOWMAN
THOMAS I. BOWMAN
THOMAS B. BREWER
ANITA L. BRIGHT
DANIEL W. BROCKMEIER
GRACIE L. BUMPASS
WILLIAM BURKHARDT III
SPENCER D. BURNETT
MARK E. BURROUGHS
MARIA T. BURT
SUSAN E. BURT
KELLY L. BUTTRICK
QUIRICO C. CABREDO
VICTOR M. CACERES
BRIAN E. CAGLE
LISA W. CAYOUS
CHRISTINE E. CHAMBERLAIN
CLINT R. CHAMBERLIN
D. W. CHEN
GAIL J. CHERRY-PEPPERS
GINA E. COLE
ROSA I. COLON
TERRI L. CORNELISON
INGER K. DAMON
JON R. DAUGHERTY
RICKIE R. DAVIS
JOSEPH L. DESPINS
DANIELLE DEVONEY
JAMES E. DICKERT
MATTHEW N. DIXON
CIELO C. DOHERTY
KENNETH L. DOMINGUEZ
STEPHANIE DONAHOE
SCOTT F. DOWELL
PEARL J. DRY
CLARE A. DYKEWICZ
LORI A. ENEVER
MARY C. EWING
ANTHONY E. FIORE
MARC A. FISCHER
KENNETH J. FISHER
EARL S. FORD
MICHAEL S. FORMAN
STEPHEN E. FORMANSKI
KIMBERLEY K. FOX
MARK R. FREESE
JEFFREY R. FRITSCH
TRACI L. GALINSKY
GLENDA G. GALLAND
THOMAS P. GAMMARANO
RANDALL J. GARDNER
JACINTO J. GARRIDO
ALEX GARZA
LAWRENCE J. GASKIN
JEAN A. GAUNCE
VERONICA D. GAVIN
DAVID T. GEORGE
DAVID W. GEORGE
MARK D. GERSHMAN
MARY H.G. GESSAY
JACQUELINE J. GINDLER
GARY M. GIVENS
LOUIS J. GLASS
ROBERT G. GOOD
ALYSSE M. GORDON
HARVEY A. GREENBERG
MARTA A. GUERRA
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GAIL A. HAMILTON
SCOTT A. HAMSTRA
MARY E. HARDING
RAFAEL HARPAZ
BRADLEY K. HARRIS
GEORGE W. HARTLEY
JOHN M. HAYES
BROCKTON J. HEFFLIN
THOMAS J. HEINTZMAN
STACEY A. HENNING
THOMAS A. HILL
KAREN G. HIRSHFIELD
TIMOTHY H. HOLTZ
S. M. HOOPER
KIMBERLAE A. HOUK
BRIAN T. HUDSON
DEBRA A. HURLBURT
BRADLEY J. HUSBERG
JAMES H. HYLAND
MICHAEL F. IADEMARCO
DELOIS M. JACKSON
ROBERTA M. JACOBSON
LAWRENCE H. JACOBY
PHILIP JARRES
CHARLES N. JAWORSKI
MICHAEL S. JENSEN
DANIEL B. JERNIGAN
RUTH B. JILES
MALCOLM B. JOHNS
JOSEPH L. JOHNSON
MICHAEL W. JOHNSON
PAUL H. JOHNSON
RONALD W. JOHNSON
MICHAEL D. JONES
PAUL A. JONES
RENEE JOSKOW
GARY C. KEEL
DAVID S. KESSLER
HAROLD E. KESSLER
PETER H. KILMARX
CHARLES D. KIMSEY, JR
ELLEN J. KING
ALICE D. KNOBEN
EMILIA H. KOUMANS
CYNTHIA C. KUNKEL
MICHAEL R. KWASINSKI
MARY T. LAWRENCE
CHARLES W. LEBARON
JOHN P. LEFFEL
TANYA J. LEHKY
ARYEH L. LEVENSON
LOUIS A. LIGHTNER, JR
HENRY LOPEZ, JR
VICKIE S. LOVE
SHARON L. LUDWIG
SUSAN L. LUKACS
JIMMY P. MAGNUSON
GELYNN L. MAJURE
JEAN R. MAKIE
CLARITSA MALAVE
IVY L. MANNING
KATHLEEN MANYGOATS
IRENE MARIETTA
KIPPY G. MARTIN
MICHAEL T. MARTIN
ANN M. MCCARTHY
PATRICK J. MCNEILLY
PAUL S. MEAD
KEVIN D. MEEKS
DEBORAH P. MERKE
JOANN M. MICAN
STEPHANIE V. MIDDLETON-WILLIAMS
FREDERICK W. MILLER
JEFFERY L. MILLER
MARK A. MILLER
ABRAHAM G. MIRANDA
ABELARDO MONTALVO
JULIETTE MORGAN
WILLIAM G. MORNINGSTAR
M. P. MURPHY
SUZAN H. MURPHY
BRENDA J. MURRAY
BARBARA B. NAKAI
MARY P. NAUGHTON
PEDRO O. NAZARIO
LAWRENCE M. NELSON
SUSAN K. NEURATH
DAVID NG
NANCY A. NICHOLS
GAY E. NORD
MICHAEL A. NOSKA
REBECCA K. OLIN
MARTHA T. OLONE
JEANNINE C. OMALLEY
ANA M. OSORIO
CARMENCITA T. PALMA
COLEMAN O. PALMERTREE, JR
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MICHAEL J. PAPANIA
BERNARD W. PARKER
KAREN L. PARKO
SANDRA D. PATTEA
KENNETH T. PATTERSON
MICHELE L. PEARSON
HSIAO P. PENG
KATHY A. PERDUE-GREENFIELD
PEDRO PEREZ, JR
STEPHEN P. PICKARD
LYNNE E. PINKERTON
CARLOS M. PLASENCIA
KATHY M. PONELEIT
CINDA L. PORTER
MATTHEW J. POWERS
PETER M. PRESTON
DIANE M. PRINCE
JOYCE A. PRINCE
KEVIN A. PROHASKA
CARLTON T. PYANT
CATHY E. QUINTYNE
TIMOTHY M. RADTKE
MELISSA V. RAEL
DORIS RAVENELL-BROWN
JOHN T. REDD
SUSAN E. REEF
LAURIE C. REID
DANIEL REYNA
LARRY E. RICHARDSON
MARIA C. RIOS
DAVID E. ROBBINS
MICHAEL L. ROBINSON
PAUL G. ROBINSON
PATRICIA F. RODGERS
DONALD L. ROSS
JAMES F. SABATINOS
MARC A. SAFRAN
RAFAEL A. SALAS
ROSE SALTCLAH
JOSEPH L. SALYER
JOSE A. SANCHEZ
BEVERLY J. SANDERS
JAMES M. SCHAEFFER
JOSEPH M. SCHECH
TERRY J. SCHLEISMAN
EILEEN E. SCHNEIDER
PAMELA M. SCHWEITZER
ADAM T. SCULLY
SARATH B. SENEVIRATNE
SHARON L. SHANE
REBECCA L. SHEETS
JOANNIE C. SHEN
DAVID P. SHOULTZ
PAUL D. SIEGEL
MONICA C. SKARULIS
AUBREY C. SMELLEY, JR
ANDREW M. SMITH
JOHN R. SMITH
SHERYL L. SMITH
THERESA L. SMITH
LYDIA E. SOTO-TORRES
BARBARA A. STINSON
JEANETTE P. STUBBERUD
JAMES L. SUTTON
TINA A. TAH
DANA R. TAYLOR
KELLY M. TAYLOR
SIDNEY D. TEMLOCK
MARIA D. TERAN-MACIVER
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MARVIN L. THOMAS III
RICKEY S. THOMPSON
JEROME I. TOKARS, JR
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LINDA M. TRUJILLO
SHIRLEY J. TURPIN
TIMOTHY M. UYEKI
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CHRIS A. VANBENEDEN
HENRY J. VANDYK
RONALD C. VARSACI
SUSAN A. WANG
STEPHEN A. WANK
EARL D. WARD, JR
BONNIE K. WARNER
TODD A. WARREN
STEPHEN H. WATERMAN
FRANK WEAVER III
KONSTANTINE K. WELD
CLEMENT J. WELSH
ELIZABETH A. WHELAN
KELVIN N. WHITEHEAD
CYNTHIA G. WHITNEY
KIM M. WILLARD-JELKS
STEVEN J. WILLIAMS
MICHAEL P. WINKLER
STEVEN S. WOLF
DEBORAH F. YAPLEE
ELISE S. YOUNG
RONALD D. ZABROCKI
ANDREW J. ZAJAC
STEPHANIE ZAZA
SHIRLEY A. ZEIGLER
KIMBERLY A. ZIETLOW
ANTHONY T. ZIMMER
ADOLFO ZORRILLA

To be senior grade

KARL D. AAGENES
MARTA-LOUISE ACKERS
RUBEN S. ACUNA
CHRISTOPHER M. AGUILAR
DARYL L. ALLIS
LORRAINE M. ALMO
SCOTT M. ANDERSON
GLORIA H. ANGELO
WENDY S. ANTONOWSKY
BORIS R. APONTE
PAUL M. ARGUIN
DANIEL J. ARONSON
JANICE ASHBY
KATHLEEN M. ATENCIO
LORI J. AUSTIN-HANSBERRY
KATHY L. BALASKO
CLAIRE L. BANKS
MARINNA BANKS-SHIELDS
NANCY F. BARTOLINI
ROBIN A. BASSETT
DALE M. BATES
DAHNA L. BATTS
DANIEL S. BECK
JOSE H. BELARDO
JAMES A. BELLAH
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VIRGILIO A. BELTRAN
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CHRISTOPHER J. BERSANI
ROBERT BIALAS
CHRISTOPHER A. BINA
ULANA R. BODNAR
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XIOMARA I. BROWN
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DAVID B. CALLAHAN
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DEREK W. CHAMBERS
BRUCE A. CHANDLER
RONALD F. CHAPMAN
TOM M. CHILLER
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PAMELA G. CONRAD
PIERRE M. COSTELLO
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KIMBERLY A. COUCH
JAMES M. COWHER
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AMANDA L. CRAMER
PATRICK W. CRANEY
ALEXANDER E. CROSBY
JOHN J. CROWLEY
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LARRY F. CSEH
RODNEY W. CUNY
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SCOTT M. DALLAS
BRYAN S. DAWSON
RICHARD L. DECKER
RONALD L. DEFRANCE
CATHERINE M. DENTINGER
LISA A. DENZER
MARILYN L. DEYKES
ALISON R. DION
LISA S. DOLAN-BRANTON
EDWARD C. DOO
THOMAS L. DOSS
CINDY P. DOUGHERTY
SHERI L. DOWNING-FUTRELL
DEBORAH DOZIER-HALL
LYNN M. DUNSON
ROBERT T. DVORAK
KRISTAL E. DYE
CALVIN W. EDWARDS
LINDA L. ELLISON-DEJEWSKI
DAVID A. ENGELSTAD
SUSAN E. ERWIN
MARK A. FELTNER
DAN FLETCHER III
CHERYL A. FORD
SAMUEL L. FOSTER
BETH F. FRITSCH
JANELLE M. FROELICH
DAVID M. FRUCHT
JEFFREY C. FULTZ
BRUCE W. FURNESS
TRACI C. GALE
SCOTT P. GAUSTAD
CHANDAK GHOSH
JULIE GILCHRIST
VIRGINIA A. GIROUX
WILLIAM T. GOING III
HUGO GONZALEZ
BRANT B. GOODE
MICHAEL J. GOODIN
SAMI L. GOTTLIEB
REUBEN GRANICH
DOROTHY R. GRIFFITH
WILLIAM R. GRIFFITH
MARGARET K. GRISMER
REBECCA J. GRIZZLE
LISA A. GROHSKOPF
EARLENE S. GROSECLOSE
ROBERT W. GRUHOT
KARLA J. HACKETT
RANDALL J. HAIGH
DANA L. HALL
ELVIRA L. HALL-ROBINSON
PAUL W. HAMRA
LORI B. HANTON
KENNETH R. HARMAN, JR
JANETTE L. HARRELL
THERESA A. HARRINGTON
DANIEL L. HASENFANG
JEFFREY E. HAUG
CHARLES S. HAYDEN II
SHARYN M. HEALY
JAMES D. HEFFELFINGER
SCOTT M. HELGESON
JAMES P. HENDRICKS
KAREN A. HENNESSEY
DANIEL J. HEWETT
KENNY R. HICKS
STEVEN P. HIGGINS
KERRY A. HILE
LISA M. HOGAN
MARY C. HOLLISTER
DE A. HONAHNIE
RICHARD N. HUDON
WILLADINE M. HUGHES
ROBIN N. HUNTER-BUSKEY
THOMAS W. HURST
LEONARD HYMAN
KYONG M. HYON
JOSELITO S. IGNACIO
LEE C. JACKSON
SHERLENE B. JACQUES
SHARON R. JAMES-SCHMIDT
DENISE J. JAMIESON
EDMUND JEDRY
KARYL L. JENNINGS
CHARLENE F. JOHNSON
ANTOINETTE L. JONES
MICHELLE Y. JORDAN-GARNER
BECKY L. KAIME
LAURIE A. KAMIMOTO
ANTHONY G. KATHOL
DANIEL M. KAVANAUGH
DAWN A. KELLY
BETH R. KERNS
DUANE M. KILGUS
DAVID K. KIM
HYE-JOO KIM
DEBRA H. KING
JANIE M. KIRVIN
ROBERT B. KNOWLES
KEVIN J. KOLENDA
DAVID A. KONIGSTEIN
JANE M. KREIS
MATTHEW J. KUEHNERT
MONICA R. KUENY
DIANA M. KUKLINSKI
STEVEN A. LABROZZI
SANDRA M. LAHI
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JAMES F. LANDO
NANCY E. LAWRENCE
MICHELLE K. LEFF
RICHARD N. LELAND
KELLY B. LESEMAN
BRIAN L. LEWELLING
BRIAN M. LEWIS
LAUREN S. LEWIS
SCOTT J. LEWIS
DAVID L. LIEBETREU
LARRY P. LIM
JENNIFER M. LINCOLN
SUSAN A. LIPPOLD
ROBERT C. LLOYD, JR
RACHEL E. LOCKER
BERNARD N. LONG
LAURA J. LUND
ROBIN L. LYERLA
MICHAEL F. LYNCH
ROBIN J. MACGOWAN
HOUDA MAHAYNI
GUY J. MAHONEY
GEORGE J. MAJUS
STEPHANIE C. MANGIGIAN
MICHELLE L. MARKLEY
STEPHANIE E. MARKMAN
PATRICK M. MARSHALL, JR.
MEHRAN S. MASSOUDI
SUSAN Z. MATHEW
LISA L. MATHIS
MITCHELL V. MATHIS, JR
ERIC L. MATSON
TRACY L. MATTHEWS
STEVEN D. MAZZELLA
WADE B. MCCONNELL
SHARON J. MCCOY
CAROL L. MCDANIEL
KATHLEEN Y. MCDUFFIE
JEFFREY W. MCFARLAND
JOHN G. MCGILVRAY
DAVID J. MCINTYRE
JUANITA MENDOZA
KATHLEEN J. MERCURE
JONATHAN H. MERMIN
ANNA L. MILLER
YOLANDA D. MITCHELL-LEE
KRISTEN L. MOE
SUSAN P. MONTGOMERY
JACQUELINE P. MORGAN
JEFFREY S. MORRIS
ELVIRA D. MOSELY
JOSHUA A. MOTT
KELLY K. MURPHY
SUSAN L. MUZA
PETER T. NACHOD
NARAYAN NAIR
CHERYL A. NAMTVEDT
MARK A. NASI
MICHELE E. NEHREBECKY
LUCIENNE D. NELSON
BRUCE R. NEWTON
TAN T. NGUYEN
DEBORAH B. NIXON
REBECCA S. NOE
SHEILA K. NORRIS
KENT W. OFFICER
CHIDEHA M. OHUOHA
KELTON H. OLIVER
DENMAN K. ONDELACY
KATHLEEN M. ONEILL
MELISSA W. OPSAHL
SUSAN M. ORSEGA
ELIZABETH M. OSBORNE
BEATRICE V. PACHECO
JOHN A. PAINTER
ALAN G. PARHAM
JACQUELINE M. PARKER
FARAH M. PARVEZ
ANGELA M. PAYNE
ERIC D. PAYNE
DELREY K. PEARSON
EDWARD PEREZ, JR
ANNE M. PERRY
ALAN C. PETERSON
CHERYL L. PETERSON
JENNIFER S. POST
KARL R. POWERS
LAVERNE PUCKETT
TEJASHRI S. PUROHIT-SHETH
JOHN QUINN
LAURA A. RABB
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STEVEN K. RAYES
LOU A. RECTOR
JAMES B. REED
MARY E. RETTINO
EDECIA A. RICHARDS
BRIAN E. RICHMOND
GREGORY J. ROBINSON
JUDY L. ROSE
CYNTHIA L. ROSS
KEYSHA L. ROSS
MARIANNE P. ROSS
LISA D. ROTZ
ALEXANDER K. ROWE
WILLIAM F. ROWELL
JOUHAYNA S. SALIBA
JEFFREY C. SALVON-HARMAN
ANGELA J. SANCHEZ
CARRISSA V. SANCHEZ
CHARLENE G. SANDERS
MELISSA Z. SANDERS
MONA SARAIYA
ROBIN G. SCHEPER
BARBARA L. SCHOEN
JON R. SCHUCHARDT
LOIS K. SCHUMACHER
TRINH N. SCOTT
JAY A. SELIGMAN
ROBERT P. SEWELL
JAMIE L. SHADDON
DIANN SHAFFER
APRIL P. SHAW
DANIEL J. SHINE, JR
JEFFREY W. SHRIFTER
RICHARD SHUMWAY
ROBERT V. SIGH
ESAN O. SIMON
JOSEPH P. SIMON
JOHN D. SMART
JERRY A. SMITH
MARIA-PAZ U. SMITH
NICOLE M. SMITH
JEREMY SOBEL
LILLIAN M. SOLIS
STEVEN P. SPARENBORG
DENNIS R. SPEARS
DORNETTE D. SPELL-LESANE
CAROLYN R. STACY
TODD M. STANKEWICZ
WILLIAM Z. STANLEY
MICHAEL M. STEELE
EDWARD J. STEIN
PAMELA STEWART-KUHN
PATRICIA A. STONEROAD
MICHAEL A. STOVER
WANDA I. SUAREZ
ERNEST E. SULLIVENT III
MADELINE Y. SUTTON
MICHAEL W. SWANN
ASTRID L. SZETO
JESSILYNN B. TAYLOR
JOSEPH J. TEMENAK
VANESSA G. THOMAS-WILSON
BETSY L. THOMPSON
DOUGLAS A. THOROUGHMAN
DAVID B. TIBBS
LAURA A. TILLMAN
DARRALL F. TILLOCK
MICHAEL E. TOEDT
KAY M. TOMASHEK
ROBERT J. TOSATTO
SCOTT A. TRAPP
TRACEE A. TREADWELL
JEFFREY J. TWORZYANSKI
KATHLEEN TYLER
LYDIA VELAZQUEZ
DOMENIC J. VENEZIANO
CATHERINE L. VIEWEG
PAMELLA K. VODICKA
CLAUDIA G. VONHENDRICKS
STEVEN M. WACHA
CHRISTOPHER R. WALSH
JULIE E. WARREN
SUSAN R. WARREN
CECELIA R. WATSON
CHARLES S. WATSON
DANIEL C. WEAVER
MICHELLE S. WEINBERG
LINDA K. WEST
SHARON W. WHITE
THOMAS C. WHITE
DARLA D. WHITFIELD
PAUL W. WICKARD
CRAIG S. WILKINS
JOHNNIE I. WILLIAMS
NOVELLA C. WILLIAMS
ROBBIN K. WILLIAMS
LORI A. WILLINGHURST
PHILLIP A. WILSON
VALARIE D. WILSON
CORY W. WILTON
CHERYL A. WISEMAN
MITCHELL I. WOLFE
TRACY L. WOLFE
PAUL A. WONG

JULIA M. WOODARD
HAWYEE YAN
HARRIET L. YEPA-WAQUIE
ANTHONY M. ZECCOLA
LINDA J. ZELLER
PHILIP J. ZINSER

To be full grade

KARON ABE
JASON D. ABEL
CINDY L. ADAMS
HELLEN H. ADCOCK
KEITH J. ADCOCK
IRENE AHLSTROM
TODD D. ALSPACH
JODINE C. ANDERSON
DAVID E. ARAOJO
GLENN R. ARCHAMBAULT
ADAM T. ARCHULETA
SANDRA L. S. ARETINO
JANIS R. ARMENDARIZ
NEIL W. AUSTIN
CECIL M. AYCOCK
MARJORIE BALDO
HARVEY J. BALL, JR
REGINALD A. BALLARD
STEPHANIE K. BARDACK
STACY R. BARLEY
JASON E. BARR
BRYEN K. BARTGIS
ROBIN A. BARTLETT
EZRA J. BARZILAY
DAVID J. BECKSTEAD
JAMES E. BEGEMAN
FRANK B. BEHAN
CASEY BEHRAVESH
MIKE A. BEIERGROHSLEIN
CLAYTON M. BELGARDE
MICHAEL J. BELGARDE
DONNA K. BIAGIONI
WENDY K. BLOCKER
WILLIAM D. BODEN
BRENT J. BONFIGLIO
TESHARA G. BOUIE
PHILANTHA M. BOWEN
TIMOTHY R. BOWMAN
MICHAEL G. BOX
REGINA D. BRADLEY
SEAN K. BRADLEY
TAMMIE B. BRENT-HOWARD
KEVIN D. BROOKS
JOHNNY P. BROUSSARD
BENJAMIN F. BROWN, JR
KELLY D. BROWN
TESSA R. BROWN
MICHELLE E. BROWN-STEPHENSON
LYNN L. BULLARD
YOLANDA R. BURKE
MELISSA B. BURNS
CINDY L. BUTLER
MARK A. BYRD
CARL D. CECERE III
NICHOLE J. CHAMBERLAIN
JASON F. CHANCEY
JOHN T. CHAPMAN
JAMES M. CHAPPLE
ROBERT P. CHELBERG
ANDREW J. CHEN
PETER CHEN
JAMES CHENG
WANDA D. CHESTNUT
IVANNE L. CHIOVOLONI
PHILIP M. CHOROSEVIC
CATHERINE C. CHOW
EUNJUNG E. CHUH
JEFFREY A. COADY
JANET D. COCHRAN
SCOTT A. COLBURN
MICHELLE A. COLLEDGE
MARK R. COMNICK
ELIZABETH D. CONNELL
PAMELA M. COOK
DEBORAH M. COOKSON
JOSEPH M. CREAGER
TERI A. CREAGER
SEAN T. CREIGHTON
KIMBERLY R. CROCKER
DAVID A. CROSS
ELAINE H. CUNNINGHAM
MOLLY P. CURRY
SUMMER A. CUTTING
ANDRE DAMONZE
CRISTEN A. DANDO
ALI B. DANNER
MICHAEL W. DAVIS
JEAN-PIERRE DEBARROS
LISA J. DELANEY
PAUL L. DEXTER
PETER S. DIAK
CORNELIUS DIAL
MARWAN M. DIB
GREGORY R. DILL
MICHAEL J. DONALESKI
KRISTINA J. DONOHUE
KAREN E. DORSE
MICHAEL L. DUPREE
SAMUEL S. DUTTON
TIFFANY H. EDMONDS
DEREK T. EHRHARDT
JILL R. EICH
OLUCHI U. ELEKWACHI
STACEY R. EVANS
MICHELLE R. EVERETT
TRACY L. FARRILL
MIKE D. FAZ
JUSTIN R. FEOLA
ALICE M. FIKE
ALYSSA M. FINLAY-VICKERS
TRAVIS L. FISHER
ARTENSIE R. FLOWERS
ALAN R. FOGARTY
JONATHAN W. FOGARTY
MICHAEL W. FORBES
WILLIAM J. FOUST
REBECCA A. FOX
JAVIER B. FRANCO
JENNIFER A. FREED
RENEE H. FUNK
ZAKI S. GAD
THERESA A. GALLAGHER
VIOLETTE G. GANOE
CHAD A. GARRETT
DARYL K. GARVIN
CHERYL L. GARZA
JAMES C. GEMELAS
JOSEPH S. GOLDING
STEPHEN G. GONSALVES
LORI A. GOODMAN
ROGER A. GOODMAN
SUZAN E. GORDON
TAMMY L. GRAGG
ALTHEA M. GRANT
WAYNE K. GRANT
ROSS P. GREEN
RENMEET GREWAL
WEI GUO
JOHN M. GUSTO
CEDRIC B. GUYTON
ANA I. GUZMAN
RONALD M. HALL
THOMAS D. HAMMACK
CANDACE Y. HANDER
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GREGORY W. HANN
ROBERT T. HARRIS
ELIZABETH A. HASTINGS
CRAIG J. HAUGLAND
LESLIE B. HAUSMAN
CAMILLE P. HAWKINS
GERI L. HAWKS
JOSEFINE R. HAYNES-BATTLE
SUZANNE C. HENNIGAN
LAURI A. HICKS
RYAN D. HILL
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PATRICK J. HINTZ
ELIZABETH V. HOBSON-POWELL
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MONIKA A. HOUSTOUN
SALLY H. HU
LISA M. HUBBARD
JASON J HUMBERT
DWIGHT R. HUMPHERYS
LORI A. HUNTER
TANIA A. HURLBUTT
ALDRIN J. JARANILLA
MICHAEL A. JHUNG
HAKSONG JIN
JOEL A. JOHNSON
ROSEMARY A. JOHNSON
TROY L. JOHNSON
JACQUIN L. JONES
STEVEN C. JONES
SUSAN R. JONES
DELIA S. JONES-MCHORGH
HUIJEONG A. JUNG
IBRAHIM KAMARA
BRYAN K. KAPELLA
DAVID W. KEENE
LAURIE A. KELLEY
APRIL D. KIDD
KEITH J. KIEDROW
KAREN F. KILMAN
BRADLEY S. KING
NICOLE A. KNIGHT
MICHAEL J. KOEHMSTEDT
CORRINNE KULICK
MICHAEL J. LACKEY
YVETTE M. LACOUR-DAVIS
CHRISTOPHER S. LAFFERTY
BERNETTA L. LANE
DEMITRIUS H. LATOCHA
DAVID K. LAU
JOY E. LEE
ROBIN R. LEE
ADAM LEEDS-PERALTA
SHANI N. LEWINS
JENNIFER L. LOMBRANO
JASON G. LOVETT
KELLY D. LUCAS
SHERRY L. LULF
SCARLETT A. LUSK
DAVID M. MAGNOTTA
JENNIFER A. MALIA
JEFFREY J. MALLETTE
JOHN T. MALLOS
SAMANTHA A. MALONEY
ANDREW D. MARGOLIS
LINDA B. MARKLE
ROGER MARTINEZ
DINO A. MATTORANO
JOHN D. MAYNARD
MELANIE M. MAYOR
JOHN D. MAZORRA
REBECCA A. MCCAIN-SINGLETON
DESIREE MCCARTHY-KEITH
BRIAN M. MCDONOUGH
LAURALYNN T. MCKERNAN
SEAN M. MCMAHAN
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JONEE J. MEARNS
PAUL C. MELSTROM
MANOJ P. MENON
STEPHEN A. MIGUELES
MARK S. MILLER
DALE P. MISHLER
AISHA K. MIX
DAVID G. MOENY
FRANK MOLINA
QUENTIN E. MOORE
STEVE L. MORIN
ALEXIS MOSQUERA
JEFFREY T. MOUAKKET
ALINE M. MOUKHTARA
DOUGLAS E. MOWELL
LORRIE L. MURDOCH
TIMOTHY D. NELLE
MATTHEW J. NEWLAND
DIEM-KIEU H. NGO
BINH T. NGUYEN
DANIEL K. NGUYEN
RYAN T. NGUYEN
KEVIN J. NOLAN
JAMES A. NOLTE
RYAN T. NOVAK
EUN J. OH
MATTHEW J. OLNES
BESSIE L. PADILLA
ELIEZER R. PANGAN
JAMES D. PAPPAS
DIANNE C. PARAOAN
WILLIAM B. PARRISH
NEEL I. PATEL
PARAS M. PATEL
PRITI R. PATEL
TRACIE L. PATTEN
DEAN B. PEDERSEN
JACKIE M. PETERMAN
HUNG P. PHAN
CHANTAL N. PHILLIPS
SUSAN P. PIERCE-RICHARDS
KRISTINE N. PINCKNEY
STEPHEN R. PIONTKOWSKI
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LORI A. POLLACK
JENNIFER A. PROCTOR
JOHN B. PULSIPHER
KENNETH J. RAMONDO
MATTHEW W. RASMUSSON
MICHAEL C. RAY
MICHAEL B. REA
WILLIAM F. REKWARD
KELLY D. RICHARDS
JEFFREY D. RICHARDSON
MADIA RICKS
PAUL J. RITZ
MELISSA A. ROBB
DONNA A. ROBERTS
PATRICK L. ROMERO
JACQUIE K. ROTH
RAUL E. RUBIO
TIARA R. RUFF
MARTIN RUIZ-BELTRAN
SOPHIA L. RUSSELL
PARMJEET S. SAINI
CLAUDINE M. SAMANIC
SHERBET L. SAMUELS
NANCY L. SANDMANN
KENNETH R. SAY
SHARON H. SAYDAH
GREGORY A. SCHERLE
RYAN R. SCHUPBACH
TANIA E. SCHUPPIUS
ANN T. SCHWARTZ
ERICA G. SCHWARTZ
MICHAEL D. SCHWARTZ
CAMERON C. SCOTT
BRIDGETTE A. SEAGO
SHERRY L. SECRIST
JAMES J. SEJVAR
JAMIE R. SELIGMAN
HYOSIM SEON-SPADA
SARAH H. SEUNG
RANDY L. SEYS
STANLEY M. SHEPPERSON
JEFFREY W. SHERMAN
MICHAEL J. SHIBER
TOM T. SHIMABUKURO
DAVID E. SHOFFNER
DESTRY M. SILLIVAN
CAROL I. SIMMONS
DORLYNN L. SIMMONS
KELLEY M. SIMMS
JULIE R. SINCLAIR
DAN M. SMITH
SPENCER T. SMITH
JANUETT P. SMITH-GEORGE
JOANETTE A. SORKIN
ALICIA R. SOUVIGNIER
STEPHEN S. SPAULDING
JACQUELINE C. SRAM
ADRIANA C. STEGMAN
MICHAEL J. STROHECKER
DONNA K. STRONG
ADAMU A. TAHIRU
JOAN A. TAPPER
JEFFREY M. TARRANT
SHERRY L. TAYLOR
CHRISTINA L. THOMPSON
DAVID A. THOMPSON
JUDITH B. THOMPSON
SUSAN E. THOMPSON
VENETTA J. THOMPSON
VENITA B. THORNTON
JILL J. TILLMAN
MICHAEL R. TILUS
SHEDRICK L. TOUSSAINT
CECILE M. TOWN
JENNIFER L. TREDWAY
AIMEE T. TREFFILETTI

CHARLES C. TRUNCALE
THERESA TSOSIE-ROBLEDO
SARAH E. UNTHANK
IRIS E. VALENTIN-BON
JULIE M. VAN-LEUVEN
LEIRA A. VARGAS-DEL-TORO
MARGARITA R. VELARDE
WILLIAM R. WALDRON II
EMIL P. WANG
SUSANNAH S. WARGO
AMY B. WEBB
RENEE M. WEBB
MARILYN M. WEEDEN
THOMAS M. WEISER
JAMES O. WHITE
ALCIA A. WILLIAMS
KAREN C. WILLIAMS
TRACY S. WILLIAMS
SHARI L. WINDT
BRANDON C. WOOD
JON-MIKEL WOODY
KATHLEEN A. WOOTEN
BRIAN R. WREN
TRACIE L. WRIGHT
JAMES C. YEE
SHERRI A. YODER
STEVEN S. YOON
YON C. YU
ELIZABETH F. YUAN
LEO B. ZADECKY
ARDIS R. ZAH
LAUREN B. ZAPATA
MONICA I. ZEBALLOS
YI ZHANG
MARYJO ZUNIC

To be senior assistant grade

DOLORES G. ADDISON
ALI S. ALI
LATASHA A. ALLEN
QUENTIN B. ALLEN
LISA L. AMAYA
DESTINY D. ANDERSON
HEATHER R. ANDERSON
KIMBERLY N. ANDREWS
NISHA O. ANTOINE
PAULA M. ARANGO
RICHARD L. ARCHULETA
JOAN M. ATTRIDGE
SARA AZIMIBOLOURIAN
DANIEL A. BAILEY
TACHEKA M. BAILEY
OLIN E. BAKKE
DOUGLAS W. BARBER
ROD-JIMIL BARRAIS
SHEILA BARTHELEMY
STEPHEN C. BARTLETT
RICHARD J. BASHAY III
STEPHANIE L. BEGANSKY
JUSTIN H. BELK
ISAAC M. BELL
CHRISTOPHER J. BENGSON
FRANCIS P. BERTULFO
KENDRA N. BISHOP
SHANI L. BJERKE
LACEY K. BLANKENSHIP
WENDY N. BLAZON
CHRISTY L. BLISSETT
KIMBERLEY A. BLOOD
ALICIA M. BOATRIGHT
JOHN M. BOUSUM
JESSICA M. BOWERMASTER
TRAVIS R. BOWSER
LORI K. BRAATEN
CASSIDY L. BROWN
IRMA L. BROWN
LEONARD C. BROWN
LESLIE M. BROWN
NAKISHA L. BROWN
FLEURETTE P. BROWN-EDISON
TYLER G. CAMPBELL
LINDA G. CAPEWELL
TERRY J. CARNES
BETH M. CARR
JAMES P. CARTER
ROSALIA CASARES
DAMON A. CATES
BENJAMIN R. CHADWICK
DONNA K. CHANEY
SHIN-YE CHANG
STEPHEN H. CHANG
KATIE L. CHAPMAN
SHAUN T. CHAPMAN
KAREN CHARLES
JENNIFER W. CHENG
HRISTU B. CHEPA
CHRISTOPHER J. CHEVALIER
TARA A. CIMAROSSA
RYAN A. CLAPP
JULIE M. CLEMENT
ANGELA S. CLEMONS
DAVID A. CLOPTON
LESLIN M. COACHMAN
TRACEY COLEMAN-RAWLINSON
JOHN T. COLLINS
HECTOR J. COLON-TORRES
DANIEL W. CONANT
KENT A. CONFORTI
NICOLE J. CONKLIN
JEFFREY T. CONNER
LEAH H. CRISAFI
JASON D. CULLOP
JENNIFER N. CURTIS
JOHNNI H. DANIEL
JAMILA R. DAVIS
JASON R. DAVIS
MICHAEL J. DIMASCIO
JENNIFER D. DOBSON
MELANIE L. DRAYTON
ROBERT P. DREWELOW
BIRGIT DYER
COLE R. DYSINGER
DAVID C. EARL II
KAYLENE D. ELLIOTT
BERTHOLET C. EUGENE
MARY E. EVANS
ANGELA B. FALLON
CHRISTOPHER T. FEHRMAN
MATHILDA K. FIENKENG
SCOTT P. FILLERUP
JOSE R. FINN, JR
KIEL W. FISHER
CHRISTOPHER A. FLETCHER
JONATHAN S. FLITTON
JASON A. FOOTE
DEBORAH J. FORCHT
WILLIAM P. FOURNIER
DODSON FRANK
KELLY E. FREER
LINDSAY D. GATRELL
NATALIE K. GIBSON
LAURA B. GIERALTOWSKI
ROBERTO M. GOMEZ
MELISSA K. GONZALEZ
PHILIP T. GORZ
MARK A. GRAY
MARTIN J. GUARDIA
CHRISTIAN M. GUESS
APRIL C. HADDOCK
KRISTEN J. HARDIN
ROGER HARGROVE
STACY M. HARPER
ADAM C. HARRIS
SARAH R. HARTNETT
EUGENE D. HAYES
VALERIE S. HERRERA
JOE M. HILL
RENAE L. HILL
KENDALL S. HIRANO
DEBORAH V. HIRST
KAREN H. HO
ANGELA M. HODGE
MITCHEL K. HOLLIDAY
ALICE A. HOPPER
SOPHIA HSU
ADAM E. HUGHES
KIMBERLY M. HULL
RENEE D. HUMBERT
BRIAN C. HUNTER
DAVID W. HUNTER
ASHLEIGH A. HUSSEY
ANGELA F. HUTSON
KRISTINE E. HYNES
MATTHEW E. IRELAND
ANDREA L. JACKSON
ESTHER S. JARVIS
MATTHEW C. JOHNS
BRANDON T. JOHNSON
SOLVEIG F. JOHNSON
JULIAN P. JOLLY
AMBER L. JONES
LATORIE S. JONES
JULIET R. JORDAN-JOSEPH
JEANNETTEE M. JOYNER
NIKOWA N. KATES
DAVIDE A. KEKEOCHA
COLLEEN C. KERR
KURT J. KESTELOOT
CHRISTINA B. KHAOKHAM
KATHLEEN R. KLEMM
ERIN K. KOERS
JAMES C. KOHLER
ROBERT G. KOSKO, JR
NICHOLAS J. LAHEY
NICOLE M. LANGENDERFER
TYLER G. LANNOYE
BRIAN N. LAPLANT
CHARLES R. LATIMORE
SONG Y. LAVALAIS
CASON J. LEBLANC
BRIAN M. LEFFERTS
LISA M. LEOMBRUNI
THOMAS R. LILES
KIMBERLY L. LOVE
SHANNON M. LOWE
ALFRED J. LUGO
ELIZABETH A. LYBARGER
MELINDA L. LYLES
GARY M. MADMAN
MELISSA L. MADRONA
CHRISTINE M. MALONE
JACOB S. MALOUF
JON N. MANWARING
KEITH G. MARIN
JOHN M. MASTALSKI
JONATHAN M. MCBRIDE
STACEY R. MCBRYDE
ERNEST E. MCGAHEE
KATIE J. MCKILLIP
GABRIEL R. MCLEMORE
STEFEN D. MCMILLAN
MICHAEL P. MCSHERRY
KATE R. MIGLIACCIO
GRIFF E. MILLER
JAMES S. MILLER
STEVEN R. MILLER
CAMILLE Y. MITCHELL
CHRISTOPHER P. MOCCA
SHANNA M. MOEDER
HIDEE L. MOLINA
LYNDE J. MONSON
CORY M. MOORE
PATRICK S. MOORE
CLINT J. MORRISON
MATTHEW J. MORRISON
JESSICA M. MURRER
CHAYANIN MUSIKASINTHORN
JULIE A. MYHREN
ERIN M. NABER
JOSHUA M. NELSON
AMY C. NGUYEN
BIC NGUYEN
CECILIA P. NGUYEN
QUYNHNHU T. NGUYEN
ERICA M. NIIHA
TANESHA C. NOBLES-MCCULLEY
ANDREW N. NYABWARI
ERIC K. ODURO
CHARLES R. OGDEN
BRIAN P. OLAND
HOLLI J. OLSON
EBB A. OLWELL
AARON B. OTIS
YVETTE M. PACE
SHARYN E. PARKS
AMANDA M. PARRIS
JAI M. PATEL
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DEANNA T. PEPPER
ABBY J. PETERSON
REGINA Y. PETERSON
MATTHEW W. PETTIT
ADARIS PICKETT
KRISTA K. PIHLAJA
KARI A. PINSONNEAULT
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NIKKIA L. POWELL
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STEPHEN M. RABE
THOMAS S. RAISOR
JENEEN N. RATLIFF
TODD M. RAZIANO
SANDRA J. REDSTEER
MARTIN L. REED
MAKEVA M. RHODEN
ARTURO RIOS
TARA J. RITTER
FRENITA M. ROBERSON
LASHONDA J. ROBERSON
STEVEN A. RODGERS
KATIE N. ROLLINS
BELINDA L. ROONEY
ALISTER A. RUBENSTEIN
MELINDA RUIZ
AVENA D. RUSSELL
MICHELLE SANDOVAL
GREGORY M. SARCHET
COREY J. SAWATZKY
JESSICA L. SCHWARZ
HOLLY L. SEBASTIAN
VANESSA B. SEGAY
DAVID L. SETWYN
JOANN SHEN
JAMES G. SIMS
REBECCA R. SINGLETON
MARK A. SMALL
DENA K. SMITH
KRISTINA F. SMITH
SARAH-JEAN T. SNYDER
SUNEE R. SNYDER
ANN J. SOHN
DIANA A. SOLANA-SODEINDE
NARCISSO SOLIZ, JR.
ADAMS O. SOLOLA
NICHOLAS D. SPARROW
JAMES M. SPECKHART
EVAN F. SPENCER
TOSCHA R. STANLEY
RANDY L. STEERS
JESSICA L. STEINERT
THERESA D. STENMARK
BRENT T. STEPHEN
MARTIN J. STEPHENS
RACQUEL Y. STEPHENSON
ALAN M. STEVENS
ANNA I. STEVENSON
ANNE M. STOHR
MEREDITH B. STONE
LUKE S. STRINGHAM
DINESH SUKHLALL
ROBERT M. SULZBACH
TIFFANY M. TALIAFERRO
JUDY S. TANUVASA
JAMIE L. TAPP
MARTIN D. TAXERA
CHARLES D. THOMPSON
ELIZABETH G. THOMPSON
SARAH K. TRINIDAD
LINHUA TZENG
CHINYELUM A. UMEJEI
IHSAN F. UMRANI
EDUARDO R. VALDESPINO
DENISE L. VANMETER
REBEKAH A. VAN-RAAPHORST
DIANA VARGAS
EVANGELINA VASQUEZ-LUEVANO
LANE N. VAUSE
THALIA R. VEGA
DANIEL L. WAGONER
JOSEPH H. WALKER
OLDEN WALKER III
LEAH R. WALKING-BEAR
PATRICK S. WALLACE
TINA R. WALTHER
JEFFERY A. WARD
JAMES D. WARNER
MATTHEW T. WASHBURN
LYNETTE W. WASSON
KARI R. WATO
JOHN E. WATTS IV

ELIJAH M. WEISBERG
CHAD WHEELER
DAVID A. WHEELER
SHERRI A. WHEELER
HAROLD I. WHITE
JONATHAN L. WHITEHART
SCOTT L. WIEGAND, JR
KELLI L. WILKINSON
SCOTT B. WILLIAMS
LYDIA P. WINTERS
CHRISTIAN L. WITKOVSKIE
LEE J. WITTER
MARTA A. WOJAS
ZACHARY C. WOODWARD
SARA D. WOODY
TATYANA A. WORTHY
ANDREW YANG
ELLEN E. YARD
TIMOTHY A. YETT
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BERNADYNE A. AGAN
GARRY E. ALLEN
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JAIME ALTMAN
OMOBOGIE AMADASU
ADREE N. ANDERSON
KENNETH L. ANDERSON
JESSICA L. ANDRADE
DAWN M. ARLOTTA
MEGAN M. ARNDT
NAOMI ASPAAS
ANNETTE C. ATOIGUE
ALINA C. AVILA
DAVETA L. BAILEY
DAVID G. BALES
KYLE J. BARRACKMAN
OLIVIA C. BARROW
AMINA BASHIR
THEDA R. BEDONI
JENNIFER S. BEHNKE
DUSTIN M. BERGERSON
CLARE E. BLAKESLEE
CHARLES BOFAH-KONADU
BRITTANY B. BOVENIZER
APRIL R. BOWEN
MICHAEL J. BOWENS
LORI A. BROOKS
NGOCANH C. BUI
KATRINA L. BURBAGE
ASHLEY J. BURNS
JOHN C. BUTLER
NIKKI L. CANADA
DOREEN P. CANETTI
LYNWOOD E. CARLTON
TARA M. CAROLFI
JAMIE L. CASS
KELSEY S. CHATSKI
SAOMONY CHEAM
CYNTHIA N. CHENNAULT
CHRISTOPHER B. CHESTNUT
ANGELICA M. CHICA
ATIQ CHOWDHURY
BETH R. CLOOS
TYHIS D. COATES
RICKY B. COOKSEY, JR
TONYA A. COOPER
LATRELLE B. COPELAND
GENE L. CRISP
DAVID DAR
JOYCE A. DAVIS
KRISTEN E. DEGENHARD
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