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Senate

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. LEAHY).

PRAYER

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

Let us pray.

Eternal God, ruler of all nations, hasten the day when the government shall be on Your shoulders. Bring an end to sin, injustice, corruption, violence, and immorality in our Nation and world. Use our lawmakers to do what is best, rewarding their faithfulness with a bountiful harvest. Lord, do for them immeasurably, abundantly, above all that they can ask or imagine according to Your power working in and through them. May the whisper of Your wisdom fill our Senators with peace, power, and praise. Infuse them with confidence in the ultimate triumph of Your Providence.

We pray in Your righteous Name. Amen.

PLEDGE OF ALLEGIANCE

The President pro tempore 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.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

HIRE MORE HEROES ACT OF 2014—MOTION TO PROCEED

Mr. REID. Mr. President, I move to proceed to Calendar No. 332, which is the vehicle for the tax extenders we hope to do this week.

The PRESIDENT pro tempore. The clerk will report the motion.

The legislative clerk read as follows:

Motion to proceed to Calendar No. 332, H.R. 3474, an act to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

SCHEDULE

Mr. REID. Mr. President, following my remarks and those of the Republican leader, the Senate will be in morning business. The time until 11:10 will be equally divided between the two leaders or their designees. At 11:10 there will be a cloture vote on the motion to proceed to H.R. 3474. The Senate will recess from 12:30 to 2:15 to allow for the weekly caucus meetings.

EXECUTIVE SESSION

NOMINATION OF ROSEMARY MARQUEZ TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF ARIZONA

Mr. REID. Mr. President, I move to proceed to executive session to consider Calendar No. 667.

The PRESIDING OFFICER (Mr. BOOKER). The question is on agreeing to the motion to proceed.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the nomination.

The legislative clerk reported the nomination of Rosemary Marquez, of Arizona, to be United States District Judge for the District of Arizona.

CLOTURE MOTION

Mr. REID. I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to report the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the nomination of Rosemary Marquez, of Arizona, to be United States District Judge for the District of Arizona.

Harry Reid, Patrick J. Leahy, Robert Menendez, Christopher Murphy, Elizabeth Warren, Christopher A. Coons, Angus S. King, Jr., Richard Blumenthal, Jeff Merkley, Cory A. Booker, Amy Klobuchar, Dianne Feinstein, Richard J. Durbin, Tom Udall, Sheldon Whitehouse, Charles E. Schumer, Edward J. Markey.

Mr. REID. Mr. President, I ask unanimous consent that the mandatory quorum under rule XXII be waived.

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

LEGISLATIVE SESSION

Mr. REID. Mr. President, I move to proceed to legislative session.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

The motion was agreed to.

EXECUTIVE SESSION

NOMINATION OF DOUGLAS L. RAYES TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF ARIZONA

Mr. REID. Mr. President, I move to proceed to executive session to consider Calendar No. 668.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the nomination.

The legislative clerk read the nomination of Douglas L. Rayes, of Arizona, to be United States District Judge for the District of Arizona.

CLOTURE MOTION

Mr. REID. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented

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

under rule XXII, the Chair directs the clerk to report the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the nomination of Douglas L. Rayes, of Arizona, to be United States District Judge for the District of Arizona.

Harry Reid, Patrick J. Leahy, Robert Menendez, Christopher Murphy, Elizabeth Warren, Christopher A. Coons, Angus S. King, Jr., Richard Blumenthal, Jeff Merkley, Amy Klobuchar, Dianne Feinstein, Richard J. Durbin, Cory A. Booker, Tom Udall, Sheldon Whitehouse, Charles E. Schumer, Edward J. Markey.

Mr. REID. I ask unanimous consent that the mandatory quorum under rule XXII be waived.

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

LEGISLATIVE SESSION

Mr. REID. I move to proceed to legislative session.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

The motion was agreed to.

EXECUTIVE SESSION

NOMINATION OF JAMES ALAN SOTO TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF ARIZONA

Mr. REID. I move to proceed to executive session to consider Calendar No. 669.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the nomination.

The legislative clerk read the nomination of James Alan Soto, of Arizona, to be United States District Judge for the District of Arizona.

CLOTURE MOTION

Mr. REID. I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to report the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the nomination of James Alan Soto, of Arizona, to be United States District Judge for the District of Arizona.

Harry Reid, Patrick J. Leahy, Robert Menendez, Christopher Murphy, Elizabeth Warren, Christopher A. Coons, Angus S. King, Jr., Richard Blumenthal, Jeff Merkley, Amy Klobuchar, Dianne Feinstein, Richard J. Durbin, Tom Udall, Sheldon Whitehouse, Charles E. Schumer, Edward J. Markey, Cory A. Booker.

Mr. REID. Mr. President, I ask unanimous consent that the mandatory quorum under rule XXII be waived.

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

LEGISLATIVE SESSION

Mr. REID. I move to proceed to legislative session.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

The motion was agreed to.

EXECUTIVE SESSION

NOMINATION OF GREGG JEFFREY COSTA TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT

Mr. REID. I move to proceed to executive session to consider Calendar No. 732.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the nomination.

The legislative clerk read the nomination of Gregg Jeffrey Costa, of Texas, to be United States Circuit Judge for the Fifth Circuit.

CLOTURE MOTION

Mr. REID. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to report the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the nomination of Gregg Jeffrey Costa, of Texas, to be United States Circuit Judge for the 5th Circuit.

Harry Reid, Patrick J. Leahy, Robert Menendez, Christopher Murphy, Elizabeth Warren, Christopher A. Coons, Angus S. King, Jr., Richard Blumenthal, Jeff Merkley, Cory A. Booker, Amy Klobuchar, Dianne Feinstein, Richard J. Durbin, Tom Udall, Sheldon Whitehouse, Charles E. Schumer, Edward J. Markey.

Mr. REID. Mr. President, I ask unanimous consent that the mandatory quorum under rule XXII be waived.

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

LEGISLATIVE SESSION

Mr. REID. I now move to proceed to legislative session.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

The motion was agreed to.

HIRE MORE HEROES ACT OF 2014—MOTION TO PROCEED—Continued

CHANGING DIRECTION

Mr. REID. Mr. President, we have seen in the last week or two Republicans just throwing things at the wall hoping something will stick. They brought down the energy efficiency bill as a result of that. They rescinded informally an agreement that I was convinced we had. Here is why this happened. One need only look at why we have not heard these endless speeches in the House or the Senate on ObamaCare, the Affordable Care Act. That has dissipated. It has been several weeks—it is hard to believe but several weeks—since we have had a vote in the House on doing away with ObamaCare, repealing it. Why is that? There is no better illustration of why that is happening than something called ''The Plum Line'' in the Washington Post today. It is short, but I would like to read it. The headline is ''Going quiet on health care.''

As Benghazi fever rises among Republicans—

This is an editorial comment. That is another thing they threw at the wall to see if it would stick—

the Hill reported yesterday that the House GOP has ''gone quiet'' on Obamacare. There are no scheduled votes or hearings on the Affordable Care Act. When contacted by the Hill newspaper, most GOP campaign committees wouldn't say whether they would launch any new attacks on the law.

As the Hill put it: ''The lack of action highlights the GOP's struggle to adjust its message now that enrollment in the exchanges beat projections and the uninsured rate is going down.''

They have tried a number of things since ObamaCare is no longer very high on the radar screen. A couple of weeks ago they said they would change direction and go after me. One of my friends—a Democratic Senator—said: I wish they would do that in my State. Nobody knows who you are.

The point is that they are getting desperate for something to change their tune. Benghazi is one. There will be other things that will come out in the next few weeks.

I carry on reading this article:

At the same time, it noted that GOP operatives overseeing Senate races remain ''conscious of the need to keep a drumbeat going against the law.'' The question now: If Republican officials really are backing off on Obamacare, will the base go along?

A new CNN poll illustrates the situation nicely: It finds that far more Americans want to keep Obamacare than repeal it. At the same time, only a majority of Republicans want repeal and only a majority of Republicans think the law is already a failure.

The poll finds that 49 percent of Americans want to keep the law with some changes, while another 12 percent want to keep it as-is—a total of 61 percent. Meanwhile, only 18 percent want to repeal and replace the law, and another 20 percent want to repeal it, full stop—a total of 38 percent. That's 61 percent for keeping the law and 38 percent for repealing it. Among independents, that's 55 percent to 44 percent.

How is it possible that Americans can disapprove of Obamacare but support keeping it? Part of the answer lies in the another question CNN asked. It finds that a total of 61 percent say that it's a success or it's too soon to tell whether it's a success. By contrast, 39 percent say it's already a failure. Among independents, that's 58 percent to 42

percent in favor of those who would give the law a chance to work over time.

All this is a reminder that at this point, attacks on the law—such as they are, anyway—are all about keeping the base lathered up in advance of the midterm elections. But there are six months to go, and already even some Republican officials appear to be realizing that the anti-Obamacare energy is draining away.

Remember, 61 to 38.

TAX EXTENDERS

Mr. President, it was not all that long ago the economy was in the throes of the great recession. Less than 6 years ago the world economy was taken to the brink of collapse before beginning a gradual recovery. While American markets have returned to their prerecession levels, the recovery for millions of workers and their families has been slower in coming. In Nevada, we continue to dig our way out of the recession. Although things are better, we still have a long way to go.

Today the Senate begins debate on legislation that continues to help many Nevadans and countless Americans as they recover from the recession. This bill before us extends current tax provisions that have bolstered American families and businesses, saving money and growing our economy. For example, the Mortgage Forgiveness Debt Relief Act is something the State of New Jersey depended on significantly and Nevada and virtually every State.

Nevada's home market was greatly damaged by the economic downturn. Many of my State's homeowners succumbed to foreclosure. For many years Nevada had the highest foreclosure rate in the Nation. For struggling Nevadans battling to keep their homes, the Mortgage Forgiveness Debt Relief Act offers much needed help.

This provision provides relief to homeowners who otherwise would owe taxes on the debt forgiven through a mortgage loan modification. Here is why we did it. The IRS had a rule which said that if you bought a home for $10,000 and the recession hit and you had to sell it for $6,000, you would be taxed at the $10,000 rate. It is hard to believe, but that was the rule. That is why we passed this law. We are now trying to extend that. It is very important. It allows underwater Nevadans and those in other States around the Nation to get a measure of financial relief, while giving a much needed boost to the State's housing market.

In addition to mortgage relief, this tax extenders legislation also includes an extension of the State and local sales tax deduction. No one has worked harder on that than Senator CANTWELL from Washington. This deduction provides working middle-class families, many of whom are already pinching pennies, with a fair shot at providing for their families. It allows them to deduct local and State sales taxes, helping them keep more money in their pockets.

The tax extenders bill is not only helping our constituents who have been victims of the economic downturn, it is also spurring job growth and local economies.

The renewable energy tax credit has played an important role in Nevada's economy. This tax credit has helped attract investments of over $5.5 billion into Nevada's clean energy economy. So people who have never seen, for example, solar panels, come to Searchlight and you will see almost 4 miles of solar panels—millions and millions of them with no break for miles. It is amazing. It looks like—I remember when I was a kid we would drive the Las Vegas highway and we would see mirages. That is what it looks like. It looks like water, but it is not. It is solar panels covering miles and miles.

The tax credit dealing with energy has been important. Through clean energy tax incentives, loan guarantees, and the State's renewable energy standard, Nevada is fast becoming a leader in the renewable energy world. As renewable energy grows in Nevada, jobs multiply. All Nevadans deserve a fair shot at a good stable job. An extension of the renewable energy tax credit is important to the State's energy consumers, local economies, and working families. That is the same all over the country, not only Nevada.

There is something called the theater tax credit. The movie industry has had it for a long time, but that is a provision in this bill that boosts Nevada's economy and virtually every economy around the country. For example, Las Vegas and Reno are home to many theatrical productions that benefit from the extension of the film tax credit. The theater tax credit allows hotels and resorts in Nevada—and around the country—to invest in high-quality productions which draw tourists from around the globe.

While the examples I just mentioned are especially important to Nevada, this legislation has many more provisions that benefit millions of people all across the country. For example, the research and experimentation tax credit promotes innovative development by some of America's best companies and requires that global companies receive this assistance to locate research and development centers in the United States.

The work opportunity tax credit is important and provides an incentive to businesses to hire under- or unemployed Americans. There are also education benefits in this bill, such as the deduction for elementary and secondary teachers' out-of-pocket expenses. This deduction ensures that teachers who are going the extra mile for our children are not being punished financially.

These are just a few examples of the beneficial credits and deductions that comprise this tax extenders legislation, but there are many others. Our constituents are depending on us to extend these provisions, many of which expired at the end of 2013. We will not pull the plug before our Nation's recovery is complete. By passing this tax extenders package, we will build our Nation's economy more quickly. We will continue to promote innovation, encourage industry, and create jobs.

I urge my Republican colleagues to join us in passing this legislation. Let's work together to bring American families and the economy a fair shot.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Republican leader is recognized.

SENATE DIMINISHED

Mr. MCCONNELL. Many years ago, Senator Henry Cabot Lodge called the Senate ''the most powerful single chamber in any legislative body in the world.''

Imagine making that kind of statement about today's Senate. Instead of a strong, independent voice at the vanguard of American policymaking, what has the Democratic-run Senate become? It has become a campaign studio, a late-night punch line, the place where the far left gets its way and the middle class gets left behind.

We saw this again yesterday when the majority leader was so determined to prevent the consideration of Republican amendments that he killed every Democratic Senator's amendment in the process. He didn't seem to care about letting the more than 4 million people in my State have a say on one of the most important issues affecting their livelihoods—coal. He didn't seem to think the millions of Americans represented by his own Democrats deserved a meaningful say on energy either.

Even after Senate Democrats from States such as Alaska, Maine, Colorado, and Arkansas put out press releases touting the kinds of ideas contained within their amendments, no amendments were allowed.

The fact that some of these same Senators are now trying to convince others of how moderate and influential they are, it is ridiculous. By backing the majority leader's power play instead of standing up for their constituents, they show where their loyalties lie.

Let's remember. The majority leader apparently thought the American people didn't deserve a say on energy, at a time when many in the middle class are struggling with high energy bills, a lack of jobs, and stagnant wages, the kinds of things that could be helped with smarter energy policy. He also blocked this debate at a time of growing global energy crises that demand American leadership.

Moments such as those were when our country used to come together in the Senate, when we used to have a serious discussion and actually pass serious legislation to solve serious problems, but not today, not in the Senate anymore. Today it is a place where the majority leader seems to deliver a daily monologue about almost anything but jobs, where Democrats obstruct serious ideas and where they have shut down meaningful debate on so many major issues.

Think back to last week when Senate Democrats declared that addressing global warming was the moral crusade of our time and then refused to even debate or consider legislative measures to actually address it or when the American people were calling out for us to pass jobs legislation and Senate Democrats put forward legislation that could actually cost up to 1 million jobs, all while they continued to block serious, House-passed job-creation bills.

Meanwhile, Washington Democrats' repeated attempts to pass the buck on gridlock are now bordering on absolute farce, just a complete farce. Last week we saw a fact-checker from a major leftwing paper debunk one of their favorite talking points about filibusters, giving it the highest possible rating for dishonesty.

The charges that have been made about Republican filibusters were given the highest rating for dishonesty by a left-leaning newspaper. This is what the fact-checker said: ''On just about every level, this claim is ridiculous.'' This is the fact-checker for a left-leaning newspaper responding to these daily charges about Republican filibusters: ''On just about every level, this claim is ridiculous.''

So let's be clear. It is time for Senate Democrats to look in the mirror. Under Democratic rule, the Senate has become the place where serious legislation comes to die, the graveyard for good ideas. That is the main reason President Obama wants so badly to keep his Senate majority this November. It is his castle moat—the moat around the castle—the last thing standing between him and signing the serious legislation the middle class deserves but the far left hates. It is his buffer against having to approve things such as Keystone Pipeline.

The Keystone Pipeline is a project almost everyone knows will create thousands of good jobs at a time when we need them very badly. It is a project the American people support overwhelmingly, but of course the far left hates it, and the far left controls today's Washington Democratic Party.

I will tell you one thing the far left does like, though—seeing headlines such as this last week from the AP: ''Democratic Leader Blocks Senate Vote On Keystone.'' This is the President's majority leader they are talking about. Both he and they are hoping to keep their Senate majority this November so they can see even more headlines similar to that one.

The American people are going to have their say. In the meantime, it is time for the majority leader to start worrying about today's Senate. The American people are tired of waiting for this body to act on the jobs bills Senate Democrats continue to blockade. They are tired of all the show votes.

Our constituents already know the Senate Democratic agenda for the rest of the year was drafted by campaign staffers anyway. They would have been able to figure that out even if our Democratic friends hadn't just said it; that the agenda was drafted over at the Democratic senatorial committee. But enough is enough. The American people sent us to the Senate to do something about jobs and address the issues that actually matter to their daily lives. It is time the Democrats, who run the Senate, drop the diversions and finally work with us to do so.

I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

ORDER OF BUSINESS

Under the previous order, the time until 11:10 a.m. will be equally divided between the two leaders or their designees.

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

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

JOB CREATION

Mr. THUNE. Mr. President, last week the Wall Street Journal published an article entitled: ''Obama Team Crafts President's Midterm-Election Pitch.'' I want to read from the article's opening. This is what the article said:

> The White House is carving out a role for President Barack Obama in this fall's midterm elections, which he will try to pose as a choice between the parties' economic visions. . . . The driving theory in the White House is that this election, like every one since the 2007 recession, is foremost about the economy. Mr. Obama already has been drawing contrasts between his economic program and that of Republicans.

That is from a Wall Street Journal article of last week.

All I can say is that Republicans welcome this debate. We agree this election will be first and foremost about the economy, and we look forward to discussing the contrast between our economic program and the President's. I am just surprised the President wants to discuss it because even many Democrats realize the Democrats' economic record over the past 5 years isn't going to win them any elections.

The Wall Street Journal article quoted Democratic pollster Mark Mellman, who said:

> . . . the key for Democrats is to frame the election as a choice between governing philosophies. ''If it's a referendum on whether you like the way Democrats have governed . . . that's a harder election for us to win.''

So since they can't run on their record, Democrats are going to make the case their philosophy offers the best hope for working Americans.

The Journal goes on to quote Joel Benenson, a pollster for the 2008 and 2012 Obama campaign, who says:

> The fundamental question here that the country faces is: Which party has a philosophy and an approach that puts average, hard-working Americans front and center? . . . We ought to be making that the centerpiece of the campaign.

Democrats have had 5½ years to take an approach that puts average hard-working Americans front and center, but their record has not been pretty. Despite the fact the recession technically ended almost 5 years ago, our economy continues to limp along. In the last quarter, growth averaged a miniscule one-tenth of 1 percent. Meanwhile, unemployment has remained at recession-level highs for the past several years.

Last month 806,000 Americans gave up hope of getting work and dropped out of the labor force entirely. Currently, nearly 10 million Americans are unemployed, 3½ million of them for 6 months or longer. Over the 5½ years the President has been in office, 6.7 million additional Americans have fallen into poverty.

Household income has declined by $3,500. The poverty rate for women has increased to 16.3 percent, income for women has fallen, and 19.4 million Americans have been forced to join the food stamp program.

Meanwhile, prices have risen. Gas prices are 99 percent higher per gallon today than they were when the President took office. Health care premiums are more than $3,600 higher. College tuition has soared.

Basically, thanks to the failed policies of the President and congressional Democrats, American families today are paying more and making less.

It is all very well and good to talk about the concern for the average hard-working American, but what really matters is not what you say but how you govern by what you do. Democrats seem to think their speeches and good intentions and the ''philosophy'' should give them a free pass, even if their policies are making it harder and harder for working families to achieve economic security and stability.

They want to coast on the fact that their party has historically been thought of as the party of working men and women, while ignoring the fact that the Democrat party today looks more like the party of billionaires and special interests than the party of hardworking Americans.

Take the Keystone Pipeline. Blue collar unions strongly support the pipeline and the more than 42,000 jobs it would support. The Washington Examiner reported yesterday morning the 750,000-member-strong International Brotherhood of Electrical Workers is, as the paper notes, the latest of the growing number of traditional blue-collar unions taking an aggressive pro-Keystone position.

In a letter to Senate Democrats, the IBEW's president writes:

> At a time when job creation should be a top priority, the Keystone XL Pipeline project would put Americans back to work and have ripple benefits throughout the economy. . . . From pipe manufactured in Arkansas, to pump motors assembled in Ohio

and transformers built in Pennsylvania, workers from all over the United States will benefit from the project.

That is from the president of the IBEW.

So given the jobs and benefits the pipeline would create, how do you think the President and the party of so-called average hardworking Americans has responded? Has he approved the pipeline and the jobs it would create for American workers throughout the country? No.

Despite five separate environmental reviews from his own State Department, testifying to the minimal impact the pipeline would have on the environment, the President has aligned himself instead with far-left environmental special interests like billionaire Tom Steyer, who is pouring money into anti-Keystone campaigns. So much for being the party of working men and women.

Democrats may talk about putting hardworking Americans front and center, but over the past few years hardworking Americans have often come in last. Take ObamaCare. It is hard to even know where to start when talking about the negative impacts ObamaCare has had on American workers.

There is the 30-hour workweek rule, which has forced businesses to eliminate full-time positions and cut workers' hours below 30 hours per week.

There is the employer mandate, which has made it difficult or impossible for many businesses to expand and hire new workers.

There is the tax on lifesaving medical devices, such as pacemakers and insulin pumps, which has already cost thousands of jobs in the medical device industry and which will eliminate many more if it isn't repealed.

Then, of course, there are the numerous burdens placed on small businesses, the higher premiums and out-of-pocket costs, and the fact that the nonpartisan Congressional Budget Office estimates the law will shrink the full-time workforce by 2½ million workers and lower wages by more than $1 trillion.

Who suffers the most from all those provisions? Average, hardworking Americans, the small business owner who can no longer afford to hire new employees, the middle-class family suddenly faced with a $10,000 deductible, the low-income worker whose hours are suddenly slashed from 35 to 25 hours a week, and the out-of-work American who can't find a job because businesses are too reluctant to hire.

One would think the supposed party of average, hardworking Americans might sit back and rethink things a little bit after seeing the devastating economic impact of ObamaCare. But the Democrats and the President are pushing again with more job-killing policies.

Recently, the Democrats and the President have been pushing for a massive 40-percent minimum-wage hike—a measure the Congressional Budget Office says could eliminate up to 1 million jobs. Even the President's own Federal Reserve Chair recently testified before Congress that a minimum wage hike would negatively affect jobs.

Once again, the people most likely to lose their jobs as a result of this policy are those least able to afford it: Namely, low-income workers.

Mr. President, Democrats can talk all they want about their commitment to ordinary Americans, but actions speak louder than words. It is going to be hard to convince people to believe, when their actions over the past 5 years have made things harder for working Americans, that they are actually on their side.

If Democrats really wanted to provide permanent relief to the millions of Americans who are struggling to get by, they would focus on measures that would create jobs, improve wages, and expand opportunity.

Instead of spending their time on far-left liberal policies and priorities, such as government-run health care and extreme environmental regulations, they would be supporting bills that have been offered by some of my colleagues here on our side of the aisle to provide one-time, low-interest loans to out-of-work Americans to enable them to relocate to cities and States with more job opportunities. That is a piece of legislation I have introduced. Or they could support the bill put forth by Senator LEE to improve workplace flexibility for working families; or the bill of Senator HOEVEN, to approve the Keystone Pipeline and open up the 42,000-plus jobs it would support; or the bill of Senator COLLINS to fix the ObamaCare 30-hour workweek provision so we don't have so many part-time employees in this country and put more people to work on a full-time basis; or the numerous Republican proposals that have been offered by our colleagues to check EPA's overreach and to protect the millions of jobs EPA's proposed regulations could destroy; or the Democratic majority could allow an open amendment process to the tax extender bill we are going to be considering here soon to allow for the consideration of permanent tax relief measures for American families and small businesses.

Because Americans deserve tax certainty and not more short-term measures, I intend to file amendments to the tax extenders bill this week to make a number of important progrowth provisions permanent, such as the ability for small businesses and farmers to expense more of their business investments. I intend to work with Senator CANTWELL and others on an amendment to make permanent the ability of taxpayers to deduct State and local sales taxes against their Federal income tax—a measure that is important for States without income taxes like South Dakota. And I intend to work with my colleagues to make permanent the existing moratorium on State and local taxes on Internet access before that moratorium expires on November 1 of this year. Failure to act is going to mean a tax increase on the many millions of Americans who use the Internet.

This week's tax debate also provides the Senate an opportunity to address the job-destroying taxes in ObamaCare. Several of my colleagues, including Senators HATCH, TOOMEY, and COATS, have been fighting for repeal, or at least delay, of the ObamaCare medical device tax. Repeal of this tax has the support of over 70 Senators, and it is time for a vote on this proposal.

However, the ObamaCare taxes don't stop there. This year, millions of young, middle-class families will face a tax penalty for failing to purchase government-approved health care. Many of these individuals and families may not be able to afford ObamaCare and cannot afford to pay the tax either. I will be filing an amendment to the tax extenders bill that would prohibit the IRS from ever collecting this penalty.

Considering this administration has already delayed the mandate for employers, it is only fair to waive this penalty for families and individuals as well.

Finally, Mr. President, I will be offering an amendment to exempt the long-term unemployed from the ObamaCare employer mandate head count. If you are a business in this country and you hire somebody who has been unemployed for 6 months or longer, then you wouldn't be subject to the ObamaCare employer mandate, which is so devastating to employers across this country.

The tax extender package on the floor today will reportedly retain the Hire Our Heroes Act, which is championed in the Senate by Senator BLUNT. If that is the case, I am pleased to see the majority has finally realized the employer mandate is hurting the job prospects of veterans who have proudly served this country. We should expand this exemption to the 3½ million long-term unemployed as well, and that is what my amendment seeks to do.

Mr. President, Democrats may claim to be the party of average Americans, but their record over the past 5 years says some things entirely different. Ordinary Americans are suffering as a result of Democratic policies, and they are not getting any relief. It is time for Democrats to stop talking about helping Americans and to start actually helping them.

We have an opportunity with this tax extenders bill on the floor this week to do some things that are for jobs and the economy. If we can get a chance to get these amendments in front of the Senate and allow the voices of the American people to be heard and to get votes, we can start moving this country in a different direction—a direction that will lead to better paying jobs for middle-class families, a better standard of living for people in this country, and a brighter and more prosperous future

for future generations of Americans. I hope that will be the case.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

HEALTH CARE

Mr. BARRASSO. Mr. President, I come to the floor today having heard the majority leader open this morning's session by talking somewhat about the health care law. He was referring to a headline that said Republicans were going quiet on health care. He then went on to say that ObamaCare is no longer very high on their radar screen.

I will say, as a doctor and someone who goes home every weekend to Wyoming, this issue of people's health care—something very important to them—continues to be high on my screen and high on the radar screen of Americans all across the country because we are seeing all across the country that the President's promises have been broken. People can't keep what they had if they liked it. People are losing their doctors.

There are many ObamaCare side effects, and one doesn't have to go very far today to see on the front page of the New York Times this morning an article related to the President's promises. He said: If you like your doctor, you can keep your doctor. If you like your hospital, you can keep your hospital. But in this front-page article, the first paragraph says:

In the midst of all the turmoil in health care these days, one thing is becoming clear: No matter what kind of health plan consumers choose, they will find fewer doctors and hospitals in their network—or pay much more for the privilege of going to any provider they want.

So the Senate majority leader may not want this to be a major issue in the minds of the American public, but it is because their health care is so personal.

Americans hate to see taxpayer dollars wasted, but they are seeing it all across the country.

I would note an article in Politico: ''474M for 4 failed Obamacare exchanges.'' Money completely wasted—taxpayer dollars—and didn't help patients needing care.

The other day, The Hill: Cover Oregon flops. ''FBI looking into Oregon's O-Care rollout.''

There are huge problems with waste.

There is another article about problems in Colorado and problems with their exchange, and yet the story out today—what happened with the exchange in Colorado? ''Outrage over raise for Colorado health exchange CEO.''

So the impacts are felt all around the country. And it is interesting to hear the Senate majority leader make his comments at a time when his hometown newspaper, the Las Vegas Review-Journal, had a headline story on May 4, 2014: ''Own a small business? Brace for Obamacare Pain.''

Local business owners might be hoping the Affordable Care Act's insurance mandates cover sticker shock. The law's employer coverage mandate doesn't take effect until 2015, but early plan renewals are starting to roll in. And for some businesses, the premium jumps are positively painful.

So I come to the floor having heard the majority leader's comments. I will have more to say about this later, as I see my colleague from the other side of the aisle has come to speak. But as one Senator and a physician and someone intimately concerned about the care the American public receives, their ability to get care—not empty coverage but quality, available care—this Senator, in spite of what the majority leader may say, is not going quiet on health care. It continues to be very high on my radar screen, as it is high on the radar screen of Americans who have been told many things by the President of the United States that turned out not to be true.

That is why week after week I am going to continue coming to the floor to talk about the side effects of a health care law that is hurting patients in terms of keeping their doctor, lower costs—they are seeing higher costs—not being able to keep their hospital, and paychecks shrinking because of the health care law.

I appreciate the indulgence of my colleague from Oregon, and I appreciate the opportunity to make reference to the majority leader's comments. Republicans—and certainly this Senator—are not going quiet on health care.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

EXPIRE ACT

Mr. WYDEN. Mr. President, this morning the Senate begins consideration of a tax cut bill. The Finance Committee agreed to call it the EXPIRE Act, and I am going to take a few minutes to talk about why it is so important that this bill be passed—and passed now. Here are a few of the key reasons:

First, if the Senate doesn't act, veterans who are now packing job fairs across this country are going to face an even tougher struggle to get good jobs.

Second, because the jobs most essential to our economy—the good-paying, innovation-driven jobs needed to underpin a growing middle class—will be harder to create.

Third, because just when underwater homeowners get hold of a life raft that keeps them in their homes, a big tax hike could yank it away.

Fourth, because millions of students are already up to their eyeballs in debt, and without this they will go even deeper.

In addition, producing clean energy will grow more expensive, risking the high-tech jobs every Member of Congress wants to protect.

The EXPIRE Act addresses all of these issues and more.

The second question that I think is going to be relevant to this debate is, What are the implications for the cycle of stop-and-go policies that have made the Tax Code in this country so unnecessarily complicated and uncertain? The EXPIRE Act ends that and builds a bridge to comprehensive tax reform. Many of these stop-and-go incentives are good policy, and they ought to be extended permanently. The EXPIRE Act gives the Finance Committee and the Congress the room to work on reform and decide which provisions to keep.

For now, this is about balancing short-term needs and long-term goals. In the coming months, the Finance Committee is going to pursue a tax reform plan on a bipartisan basis that gives all Americans the opportunity to get ahead. But right now, what is needed is to protect jobs and deliver more certainty.

On April 3 the Finance Committee passed the Expiring Provisions Improvement Reform and Efficiency—EXPIRE—Act. There was a strong bipartisan vote in the committee. We called the bill the EXPIRE Act for one reason: It is supposed to expire. I stated this morning that, on my watch, this is going to be the last time—the last time—the Finance Committee considers a tax extenders bill. Once this piece of legislation is enacted and behind us, the committee will move on to the critical next challenge; that is, comprehensive bipartisan tax reform.

I will talk for a minute about how this package is going to help middle-class individuals and families.

We all understand that a prosperous middle class is the key to long-term economic growth for the country. This legislation boosts that cause by extending incentives that help workers get back on their feet, such as the work opportunity tax credit. This provision is a lifeline for our veterans in every State in the country because it encourages employers to hire the vets when they come home from overseas. Veteran unemployment is still at crisis levels. This bill is going to help address that.

Thanks to work by Senators PORTMAN and CARDIN—again, on a bipartisan basis—the work opportunity tax credit is now going to be available to businesses that hire the long-term unemployed. They are the Americans who have been hit the hardest by the recession, and, without help, we are going to see them fall between the cracks. This legislation can be an important role in helping those Americans find good jobs.

The EXPIRE Act also extends and expands the credit for research and experimentation. The reason this is so important is this is the lifeblood of innovation that is so important for our economy. Not only does this credit incentivize research and innovation, but thanks to good, bipartisan work—I heard that mentioned a couple times this morning, and we are going to hear it again—in this case, Senator ROBERTS, Senator SCHUMER, and others made adjustments to the credit to

make it work better for small businesses and for startup firms. Many of these firms just getting out of the gate can't really use the research credit in its current form, so the EXPIRE Act says to all of those startups that if they want to use the credit, we are going to make it easier to hire and pay workers. We are going to help them do that.

Congress also needs to keep pushing business investments in innovation. That is why the EXPIRE Act extends incentives such as bonus depreciation and expanded business expenses. This makes it easier for companies to invest in new equipment and property and grow their operation and create more jobs.

We know many of our communities are hurting. They have been battered over the past decade by the financial crisis and by an exodus of manufacturing jobs. So it is critical to drive investment to those communities to help promote growth and create good-paying jobs.

The people in those communities hit—and hit hard—by this economy deserve a chance to achieve the American dream just like everybody else. That is why the EXPIRE Act extends provisions such as the new markets tax credit, which drives private investment to these hard-hit areas. The new markets tax credit leverages private funds to create new businesses in economically depressed communities. And thanks to efforts by my colleague from Ohio, Senator BROWN, these credits are going to be available to boost manufacturing—areas that have lost some of their good-paying, blue-collar industrial jobs. Through this, we will see more private investment head their way.

With the recent news of the economy's first quarter, the challenge of growing the economy—it is obvious our families and businesses need all the help they can get. That is why the EXPIRE Act allows families to continue to deduct their State and local taxes. Americans can already deduct their State income taxes thanks to a permanent part of the Tax Code. But families in States such as Texas, Florida, Washington, and Alaska don't pay State income taxes; they pay higher sales taxes. This legislation levels the field and lets families deduct their State and local taxes whether they are income or sales.

As the housing market continues to come back from the great recession, we know millions of Americans are still struggling to stay in their homes. Many of our homeowners found themselves underwater, owing more in mortgage debt than their houses were worth. To make matters worse, just when they caught a break and had their mortgage payments lowered or their debt forgiven, they got hit by a giant tax liability. Imagine that. Once you get your head above water, a huge tax bill pushes you right back underwater.

This legislation contains a provision to prevent exactly that situation from happening and to help keep American families in their homes by exempting their forgiven mortgage debt from taxation. And I feel particularly strongly about this because that is really phantom income, and middle-class Americans shouldn't get hit that way.

Over the past several years, States throughout the country have been forced to make a lot of painful fiscal choices. Over the past several years, States throughout the country have been forced to make a lot of painful fiscal choices in many communities. The budget ax has fallen on education. Teachers routinely face classrooms of 30 to 40 students, often even more. Too often those teachers run short on supplies and then they reach into their own pockets—into their own pockets—to make up the difference. These are hard-working, middle-class professionals. What this legislation does is help those teachers just a little bit by letting them deduct up to $250 of those out-of-pocket expenses from their taxes. Oregon teachers deduct more than $9 million in classroom expenses each year.

A college education is absolutely vital in our competitive, modern economy. For families and students paying for college, trying to deal with those skyrocketing costs and the mountains of debt they incur, this legislation extends the $4,000 deduction for tuition expenses. Oregon families use it to deduct more than $61 million in tuition and fees annually. It gets harder each year to maintain a middle-class life without a college degree. That is why this deduction is so important and why it is in this legislation.

There is one last part of the bill I would like to touch on; that is, the incentive for clean energy. Previously I chaired the energy committee, and I saw how essential it was to generate investment in clean energy. It is an area of our economy that has been plagued by the stop-and-go nature of tax policy. Now is the time our country should be investing in low-carbon and energy-diverse alternatives. Some of the provisions in the EXPIRE Act have been extraordinarily successful in doing just that. The production tax credit for renewable energy that includes wind, geothermal, hydropower, and biomass has helped drive major growth in renewable clean energy. Wind in particular has boomed over the past 5 years. It now accounts for more than 60,000 megawatts of wind generation across the country. Wind energy production has more than doubled since 2008. That is enough to power more than 15 million homes and the energy supports more than 50,000 jobs. The growth of this industry has been a boon to manufacturing, supporting more than 500 manufacturing facilities.

Still, the wind industry is not immune to the stop-and-go nature of tax extenders. Growth has leveled off over the past 2 years, mostly due to the expiration and late retroactive renewal of provisions such as the production tax credit. It is critical, in my view, to provide certainty to these businesses. In the energy sector, electricity generating stations and refineries are major investments that can take years to plan and to finance and construct. That is why tax reform is so vital. Our country needs a long-term, stable energy policy.

There are a lot of fresh ideas on how to improve energy policy in the Tax Code. As chairman of the Finance Committee, now-Ambassador Baucus put out a number of innovative, technology-neutral ideas that in my view deserve a significant amount of attention, but while working out those ideas in a transparent, bipartisan way, it is important Congress not let our domestic clean energy industry fall off the cliff, which is the reason this bill extends provisions such as the production tax credit through 2015.

Clean energy is not just about generating more low-carbon electricity; it is also about using energy more efficiently in reducing our overall consumption. That is why the EXPIRE Act extends and updates the credit that helps out homeowners who want to improve their houses and make them more energy efficient. Whether it is through better windows, installing insulation, perhaps replacing a water heater or a furnace, this provision helps those homeowners. These improvements can dramatically reduce the amount of energy used to heat and cool American homes, resulting in lower electricity bills.

The legislation improves this provision by cleaning up what has been current law and updating its standards. It will be easier to use and help push the boundaries on energy efficiency by allowing only the most energy-efficient improvements to qualify. Even in pushing for efficiency in how we use energy, it is important to make smart use of taxpayer dollars.

Commercial buildings use a tremendous amount of energy—20 percent of all electricity consumed in the United States powers the places we work. By reducing this consumption, the United States can drastically cut emissions and lower costs for businesses. It is obvious the areas I have outlined make sense for our economy and they have bipartisan support. They are going to help spur investment and innovation, boost our communities, help disadvantaged workers, and continue to drive investments in clean energy and energy efficiency.

A number of these provisions I have indicated should be made permanent, and it would be a mistake to simply let them disappear. In wrapping up, I wish to address the question: Why not make these provisions permanent now? Why not pass tax reform today? That would be my first choice.

Everybody knows our Tax Code is in bad shape. It is complicated. I think calling it opaque would be a compliment. It desperately needs fixing.

We want a code that promotes economic growth and treats everyone fairly. A lot of Members have worked hard to develop ideas, but the reality is tax reform is not happening tomorrow. Reaching a comprehensive, bipartisan plan is going to take time, focus, and hard work.

I know something about that because I have put as much sweat equity into bipartisan tax reform as any Member of this body, starting with our former colleague Senator Gregg. We sat next to each other on a sofa every week for 2 years to write the first bipartisan Federal income tax reform plan in 30 years. Senator COATS has joined Senator BEGICH and I in this effort and we are not alone. Chairman CAMP has put forward an ambitious tax reform draft that lays out several ideas as well on how to make the Tax Code simpler. All of these proposals contain the kinds of ideas we ought to examine as we look to reform our Tax Code. Once the issue of these extenders is settled, I look forward to working with Senator HATCH and all our colleagues on a broad-based tax reform plan that will grow our entire economy.

In the meantime, it would be a mistake to leave American families and American businesses out in the cold. Temporary provisions of the Tax Code continue to expire, leaving jobs, innovation, investment, and people's homes in limbo. By providing certainty to businesses and families for the next 2 years, the EXPIRE Act creates the space needed for true tax reform. I don't want us to lose sight of that during this debate. These extenders are important, but we are also going to talk on the floor about building a bridge to reform that this country desperately needs. We know there are inequities in the Tax Code. The inability to have the certainty and predictability we need is holding us back.

We need to make sure we have a Tax Code that gives everybody in America the opportunity to get ahead, especially our hard-working, middle-class citizens, our entrepreneurs and businesses. Our people work hard for the money they earn each and every day. They want to pay their fair share, but when they are asked to contribute part of their paycheck each month, they deserve a tax system that is transparent and equitable. We need to simplify the code. We need to level the playing field. We need to get rid of the disparities between different types of income that elevates some workers over others.

I encourage all of my colleagues today to, first, back this legislation so we don't see, for example, innovation and our veterans and teachers suffer as we work toward bipartisan tax reform; second, to be open about sharing their ideas with the Finance Committee and all Members about innovative bipartisan reforms that can improve our entire Tax Code. Voters send us to work. They are looking for results. They don't want to hear excuses about why families pay more for college or why homeowners face a huge tax bill after getting out from under a mountain of debt. Simply dropping those tax incentives sacrifices valuable priorities without getting the real job of comprehensive reform done. Let us pass the EXPIRE Act and let us move on to urgently needed bipartisan comprehensive tax reform.

With that, I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER (Mr. SCHATZ). Pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 332, H.R. 3474, an act to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act.

Harry Reid, Ron Wyden, Robert Menendez, Patty Murray, Barbara Boxer, Jon Tester, Debbie Stabenow, Maria Cantwell, Bill Nelson, Thomas R. Carper, Patrick J. Leahy, Brian Schatz, Mark R. Warner, Charles E. Schumer, John D. Rockefeller IV, Benjamin L. Cardin, Martin Heinrich.

The PRESIDING OFFICER. By unanimous consent the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 3474, an act to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CORNYN. The following Senator is necessarily absent: the Senator from Arkansas (Mr. BOOZMAN).

The yeas and nays resulted—yeas 96, nays 3, as follows:

[Rollcall Vote No. 143 Leg.]

YEAS—96

Alexander	Cardin	Durbin
Ayotte	Carper	Enzi
Baldwin	Casey	Feinstein
Barrasso	Chambliss	Fischer
Begich	Coats	Franken
Bennet	Cochran	Gillibrand
Blumenthal	Collins	Graham
Blunt	Coons	Grassley
Booker	Corker	Hagan
Boxer	Cornyn	Harkin
Brown	Crapo	Hatch
Burr	Cruz	Heinrich
Cantwell	Donnelly	Heitkamp
Heller	McConnell	Schatz
Hirono	Menendez	Schumer
Hoeven	Merkley	Scott
Inhofe	Mikulski	Sessions
Isakson	Moran	Shaheen
Johanns	Murkowski	Shelby
Johnson (SD)	Murphy	Stabenow
Johnson (WI)	Murray	Tester
Kaine	Nelson	Thune
King	Paul	Toomey
Kirk	Portman	Udall (CO)
Klobuchar	Pryor	Udall (NM)
Landrieu	Reed	Vitter
Leahy	Reid	Walsh
Levin	Risch	Warner
Manchin	Roberts	Warren
Markey	Rockefeller	Whitehouse
McCain	Rubio	Wicker
McCaskill	Sanders	Wyden

NAYS—3

Coburn	Flake	Lee

NOT VOTING—1

Boozman

The PRESIDING OFFICER. On this vote the yeas are 96, the nays are 3.

Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, does the Senator from Massachusetts wish to address the Senate at this time?

Mr. MARKEY. Mr. President, I ask that the Chair recognize the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I thank the Senator from Massachusetts.

I ask unanimous consent that the junior Senator from Tennessee and I be permitted to engage in a colloquy, and I ask for the attention of the Senate.

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

The Senate will be in order. Senators will please take their conversations out of the well.

Mr. ALEXANDER. Thank you, Mr. President.

REMEMBERING HARLAN MATHEWS

Mr. President, a few days ago we lost a prominent Tennessean, Harlan Mathews. He was 87 years old, and he lived a long and distinguished life.

Harlan Mathews served in the Senate seat in which I now have the privilege of serving. When Senator Al Gore was elected Vice President more than 20 years ago—Harlan Mathews took his seat and then retired from the Senate after serving two years of his appointment.

But that was, by a long shot, not a description of his public service. Yesterday Senator CORKER and I were at his funeral and memorial service in Nashville, which was a beautiful service, a simple service, as he would have imagined. The theme that kept coming through again and again was what a fine mentor and unselfish public servant Harlan Mathews had been in our State for 60 years. He was a World War II veteran, came to Vanderbilt University, and in 1950 met a young Governor whose name was Frank Clement—a rising star in national politics. He became his assistant and served in a variety of State government positions with very

little interruption until he was appointed by Governor McWherter to serve for 2 years in Al Gore's seat. Twenty years ago Harlan Mathews decided not to run for reelection and has lived the past 20 years in Nashville. We were there with his wife Pat, his sons, and a host of friends.

What I think about Harlan Mathews is that other than his great friend former Governor Ned McWherter, no one had more friends around the State capitol than Harlan Mathews did.

So today we pay tribute to him and to his family for a life well lived, for his service to the State of Tennessee, and for being a man who has mentored as many young public servants of our State as anyone I can think of.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. CORKER. I too rise to talk about our friend and former colleague to many in this body, Senator Harlan Mathews.

It was touching yesterday to be at a funeral service where so many people he had mentored stood and talked in conversation around the gathering we attended about the great mentorship he provided. There is no greater legacy any of us can provide than to set an example for other people and to create opportunities for other people coming along.

I want to join the senior Senator, who I know served with him while he was Governor. I had the great opportunity to get to know him as a new and young commissioner of finance in our State, an appointed job, and no one—no one—was kinder to me than former Senator Harlan Mathews, who has been involved in so many great things that have happened in our State.

His wife Pat complimented him in an extraordinary way, saying I think one of his greatest attributes was his constantly saying: You know, so much can happen in this world if no one cares who takes the credit.

I think he was a quiet force for good in our State and a quiet force for good in our country. So many of the things that caused him to be the kind of person he was are things that many of us could emulate and cause the Senate and our country to function much better than it does now.

I join the senior Senator, for whom I have so much respect, in making sure the Senate record records the great work of Harlan Mathews—Senator, Deputy Governor, treasury leader in our State but also commissioner of finance. He is someone who provided years of great public service, years of great mentorship, and someone who has a legacy of people who served with him and under him who have gone on to do wonderful work for our State and country.

I yield the floor with great gratitude toward a wonderful public servant, Harlan Mathews.

Mr. ALEXANDER. I thank the Senator from Tennessee. Harlan was known for working quietly, and being modest. The service was only about 40 or 45 minutes to reflect that.

He would have been a terrific Senator if he had been here for 25 years because of what we know about him. He wasn't out front. He was behind the scenes. He worked to get things done. He was always results-oriented, and he didn't mind who got the credit. Sometimes there is a shortage of that in the Senate—then and now today. He had those rare skills of the public servant that are always valuable and always needed.

I know his wife Pat, his sons Stan and Les, and his granddaughters Katie and Emily miss him deeply. We do as well, and we join them in admiring his life and his example.

I ask unanimous consent to have printed in the RECORD the obituary of Harlan Mathews detailing his public service.

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

OBITUARY

Harlan Mathews, an accidental Tennessean born in Sumiton, Alabama, who advised five Tennessee governors and served in the U.S. Senate, died today at the age of 87, his family confirmed.

Mathews, who recently was diagnosed with a brain tumor, died peacefully at Alive Hospice today at 6 a.m. with his wife Pat at his side.

Services honoring Mathews and celebrating his life are being scheduled at this time.

After serving in the U.S. Navy in WWII, Mathews received his B.A. degree from Jacksonville State University under the G.I. Bill. He arrived in Nashville in 1949 to attended Vanderbilt University. He would subsequently obtain a master's degree in public administration. Shortly after enrolling at Vanderbilt, Mathews took an entry level job with the State Planning Office, not knowing that serving the people of Tennessee would become his life's work.

In 1950, the 24 year-old Mathews met 30 year-old Frank Clement. Two years later, Mathews was the top assistant to the new Governor, a close friendship that continued until Clement's death in 1969. In 1961 Mathews was appointed Commissioner of Finance by Governor Buford Ellington. He held the post for 10 years, one of the longest tenures in state history.

In 1971, Mathews briefly left state government to work in the private sector in Memphis, but returned in 1973 to serve as the legislative assistant to longtime state comptroller William Snodgrass. The Tennessee General Assembly elected Mathews state treasurer in 1974 when his predecessor, Tom Wiseman, opted to run for governor.

Mathews remained state treasurer until January 1987 when he resigned to become deputy governor to Ned McWherter.

As deputy governor, Mathews was a low key yet forceful advocate of McWherter's legislative agenda and continued, as he had done as state treasurer and finance and administration commissioner, to protect the state's sound financial footing.

Upon U.S. Senator Al Gore's election to the vice presidency, McWherter appointed the most dedicated public servant he knew to fill the vacancy. Harlan Mathews was sworn in on Jan. 3, 1993, to represent Tennessee in the U.S. Senate.

Mathews never sought election to political office, preferring to serve the people of this state behind the scenes as a frugal manager and mentor to dozens over the four decades of his public career.

Upon leaving the U.S. Senate in December of 1994, Mathews joined the Nashville office of the law firm of Farris, Mathews, Bobango PLC. He remained active in the legislature and politics, serving as an informal advisor and fundraiser for Gov. Phil Bredesen.

Throughout Mathews' career, he never took for granted the people he served and the responsibility he held. He was known as a soft spoken but tough negotiator who made sure state employees were paid good wages, and that the state's retirement system was sound, the debt low and the bond rating strong. He was a demanding boss who also made sure that his employees had a warm coat in cold weather. He was a leader, a statesman and a friend to all that knew him and to all of Tennessee.

Mathews is survived by his wife Pat, sons Stan Mathews (Sandy) and Les Mathews (Pam) and granddaughters Katie Zipper and Emily Mathews. He was preceded in death by his son Rick Mathews.

Honorary pallbearers include Steve Adams, Tom Benson, Carl Brown, Tom Cone, Nancy-Ann DeParle, John Faber, Jim Hall, Don Holt, Carl Johnson, Dr. Joe Johnson, Jeremy Kane, David Lillard, JW Luna, David Manning, Raymond Marston, Mike McWherter, Clayton McWhorter, John Morgan, William Nichols, Roy Nix, Parker Sherrill, Arnold Tackett, Bo Roberts, Pete Sain, Dale Sims, Captain Bobby Trotter, David Welles, Bill Whitson, and ''Harlan's Girls''—Estie Harris, Adrienne Knestrick, Katy Varney and Beth Winstead.

The family would like to give special thanks to his caring doctors—Dr. Craig Weirum, Dr. Chris Hill, Dr. Rentz Dunn, Dr. John Thompson and Dr. Robert Faber.

Mr. ALEXANDER. I thank the Senator from Massachusetts for his courtesy.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. MARKEY. I seek recognition to speak for 5 minutes.

The PRESIDING OFFICER. Without objection.

ENERGY AND TAX EXTENDERS

Mr. MARKEY. Mr. President, two things happened yesterday:

First, the Shaheen-Portman energy efficiency bill collapsed—at least for now. It would have created 190,000 new jobs. It would have cut carbon pollution by 22 million automobiles on the roads of the United States in equivalency. That is a big deal. It is something that was agreed upon by Democrats and Republicans.

What happened? Well, too many Republicans wanted to vote on the Keystone Pipeline issue. They knew the vote on the Keystone Pipeline was going to fail because they don't have the votes in order to be successful, so they took a bill that would cut carbon emissions and said they wouldn't pass it unless they got a vote on three additional amendments to increase global warming emissions:

No. 1. Stop EPA from cutting emissions on powerplants. They wanted to vote to take away EPA authority on that.

No. 2. Allow massive export of natural gas that will actually increase costs to consumers in the United States and move us back to coal because the higher the price of natural

gas, the more people are going to go back to burning goal. They all understand that. That is what the game is all about.

No. 3. Prevent the Senate from considering global warming pollution controls in the future. That is right—just have a vote that prohibits the Senate from considering global warming pollution levels.

Obviously, this is a debate about pollution, not about energy efficiency, from the perspective of the Republican Party—although I give credit to the many Republicans who were working on a bipartisan basis with JEANNE SHAHEEN in order to put together a bill that actually accomplished something and showed this institution can work.

A second event actually happened yesterday as well. Two new climate studies were released saying that the West Antarctic ice sheet is collapsing and the melting of the West Antarctic is unstoppable. Twelve feet of sea level rise is coming.

Did you hear that? The West Antarctic ice sheet is collapsing, the melting is unstoppable, and 12 feet of sea level rise is coming.

What does that mean? That means Boston, underwater; South Florida, underwater; New Orleans, underwater.

In the Senate, we are moving at a glacial pace on climate change. We are frozen. But while we do nothing, the pace of glacial collapse is accelerating. The world's ice is melting.

The Senate has been called the cooling saucer of democracy. But when it comes to climate change, it is the warming plate, cooking the Earth as we continue our slide into an ocean of dysfunction.

The next major piece of the West Antarctic glacier that breaks off into the ocean should be reserved as an island for all of the climate deniers. We will just call it the Island of Deniers. They can all live there because there will be plenty of room on this huge, massive body of ice that keeps breaking off and heading into the ocean.

Secondly, we are about to take up tax extenders, and we have a fantastic chance to extend the production tax credit for wind in our country. Unfortunately, because of the unpredictability of the tax breaks for the wind industry, 30,000 people in the wind industry were laid off last year. That is not because the wind industry didn't prove it could increase the amount of electricity in our country generated from wind; it is because—unlike the oil industry, unlike the gas industry, unlike the nuclear industry, unlike the coal industry—the wind industry has to come in, hat in hand, to beg to continue their tax breaks year after year. There is no predictability for that marketplace. This gives us a chance to extend those tax breaks.

So it is a big challenge, but ultimately if the oil and gas industry is going to receive $7 billion in tax breaks per year, the wind industry should receive the tax breaks it needs. We need a level playing field. We need a way to ensure that there is, in fact, a fighting chance for these new renewable energy industries. The existing industries have received tax breaks going back 100 years. These newer industries are there. They are creating jobs at a massive pace, but we need to ensure that the tax breaks are there.

My hope is that we will be able to pass these tax extenders. Again, there are extensions for tax breaks that are in there for many industries across the board. It is the kind of bipartisan effort that deserves support, like the Shaheen-Portman energy efficiency bill. My hope is that the institution can work in order to accomplish that goal. Civility on matters such as these should not melt away. We need to make sure we are, in fact, protected for generations yet to come.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

NATIONAL POLICE WEEK

Mr. HATCH. I wish to take a moment to say a few words in honor of National Police Week. I would like to take this opportunity to honor the brave men and women of law enforcement who made the ultimate sacrifice and gave their lives in the line of duty while safeguarding our communities.

Since the first recorded police death in 1791, there have been 21,742 law enforcement officers killed in the line of duty. This year 112 names will be added to the National Law Enforcement Officers Memorial in Washington. We should remember that there are 112 families who grieve the loss of a loved one who gave his or her life to protect their community and to keep their fellow citizens safe.

Today I recognize two Utah law enforcement officers who recently gave their lives in the line of duty.

SERGEANT DEREK JOHNSON

Sergeant Derek Johnson had served with the Draper Police Department for 9 years when he was shot and killed while on uniformed patrol in the early morning hours of September 1, 2013.

During his service, Sergeant Johnson was the recipient of many awards, including a Life Saving Award and a Distinguished Service Award. He was also honored as the 2012 Community Policing Officer of the Year.

We take this time to think about the friends and family who mourn the loss of Sergeant Johnson and keep his wife Shante and his 7-year-old son Bensen Ray Johnson in our thoughts and prayers.

SERGEANT CORY WRIDE

Another recent tragic loss to the Utah law enforcement community was Utah County Sheriff's Office Sergeant Cory Wride.

Sergeant Wride was shot and killed while on duty on January 30, 2014, as he was assisting a stranded motorist.

Sergeant Wride served with the Utah County Sheriff's Office for nearly 20 years and served his community in various roles, including patrol and as a member of the department's special operations teams, K–9 and SWAT.

Sergeant Wride was married to Nanette, his wife of 18 years. He was the father of four boys and one daughter: Nathan, Chance, Shea, Tyesun, and KylieAnne. He also had eight grandchildren.

I wish to extend my sympathy to his family and recognize Sergeant Wride for his service, selflessness, and his courage.

I urge my colleagues to take some time this week to think about these men and pay respect to the numerous other fallen heroes who have served our communities with professionalism, integrity, and compassion, as well as all members of the law enforcement community who watch over and guard our streets, protect us, our families, and our communities.

TAX INVERSIONS

Last week I came to the floor to talk briefly about the news reports we have all been seeing about the proposed merger between Pfizer and AstraZeneca and the legislative proposals we are seeing from Members of Congress in response to the merger.

As you know, one of the key details in this merger is that when Pfizer—a large American company—acquires AstraZeneca—another large, but somewhat smaller UK company—they plan to incorporate the new merged company in the United Kingdom, not here in the United States.

As I said last week, I was as concerned to learn of these plans as were many of us here in Congress. After all, Pfizer is an iconic American company, with over 100,000 employees. It ranks in the top 200 of global companies by revenue, according to the Fortune Global 500 list. It would be a great loss to our country to see it incorporated offshore.

Still, it is difficult to blame them for this decision. According to sources, a desire to escape the high U.S. corporate tax is part of the motivation for this merger. This type of transaction, where a U.S. corporation merges with a foreign entity and incorporates elsewhere to escape the U.S. tax net, is sometimes referred to as an inversion.

Inversions are a growing problem here in the United States. Indeed, large companies are leaving our country at an alarming rate. If you count the number of American corporations in the worldwide list of Fortune 500 companies, you will see the number has declined dramatically over the past decade, which is very unfortunate. This decline means less capital and less investment in the United States. It means a smaller U.S. tax base. Most importantly, it means more jobs that could be created—that should be created—here in America are being created elsewhere. So make no mistake. Inversions are a big problem, and the problem seems to be growing every day.

As I mentioned on the floor last week, there are, broadly speaking, two

different ways Congress could act to address this problem. The first way would be to make it more difficult for a U.S. corporation to invert. That is the approach my friend the chairman of the Senate Finance Committee endorsed a few days ago in an op-ed in the Wall Street Journal.

As the chairman noted in his opinion piece, current law requires companies moving overseas to have at least 20 percent new ownership to avoid some very bad tax consequences. His proposal—the one he outlined in this article—would be to increase that benchmark to 50 percent for all inversions taking place after May 8 of this year. That means his proposed restriction would be retroactive for all inversions that happened between last Thursday and the date his proposal may be signed into law.

Of course, this is hardly a new idea. President Obama included a similar proposal in his budget. Given the amount of hand-wringing we have seen over just the Pfizer-AstraZeneca merger and the subsequent erosion of the U.S. tax base from my friends on the other side, you would think a proposal like the one the chairman floated in his op-ed would raise a significant amount of revenue. However, if you think that, you would be wrong.

All told, his proposal would raise roughly $17 billion over 10 years. That is about $1.7 billion a year. That is not really an insignificant sum, but it does demonstrate the scope of the problem is hardly worth the draconian solution some of my friends want to impose in order to solve it.

Let me be clear. I share my colleagues' concerns about the number of inversions that have taken place over the last few years. However, I do not believe that imposing confusing and arbitrary retroactive restrictions on U.S. companies is the answer. There is an alternative approach which brings us to the second way Congress could act to prevent more inversions.

The second way to address the problem of inversions is to make the United States a more desirable location to headquarter businesses. While it would require a lot of work and compromise, this is by far the better approach.

This approach, of course, means lowering the corporate tax rate. It also means replacing our antiquated worldwide taxation system. Under current law, U.S. corporations are taxed on their worldwide income, but foreign corporations are subject to tax only on income arising from the United States. In other words, we subject our corporations to a worldwide tax system, while subjecting foreign corporations to a territorial tax system. On top of that, most of our major trading partners tax companies domiciled in their own countries on a territorial basis as well, unlike our country.

Long story short: Our system of worldwide taxation places us at a competitive disadvantage and makes the United States a less than optimal place for companies to locate their businesses. That being the case, as important as it is to get the corporate tax rate down, no matter how low we get that rate, we still need to scrap and replace our outdated worldwide tax system.

That is why tax reform is so important. It is just one of the reasons, of course, but it is a really important reason. Tax reform, if it is done right, will get at the root problem rather than simply dealing with symptoms.

I should note that inversions are only one symptom of our dysfunctional international tax rules. Other types of transactions further illustrate why the entire system we have is problematic.

For example, there are strong incentives currently for a U.S. parent company to sell its foreign subsidiaries to foreign corporations in order to escape the U.S. tax net. There are strong incentives to set up a startup business as a foreign corporation. Neither of these transactions are inversions, but they do show the point that it is, for tax purposes, often better not to be a U.S. corporation or to be controlled by one. While these other sorts of transactions don't grab the headlines, as inversions do, they are nonetheless indicative of real problems in our Tax Code.

That being the case, a proposal to restrict or eliminate inversions would really only go after one particular type of problem, leaving the rest of the fundamental flaws in our tax system firmly in place.

Proposals to restrict inversions or to impose some sort of management and control test are like trying to plug the dyke with your finger to keep capital and jobs from flowing overseas. These proposals are not long-term solutions. They are not even good short-term fixes.

Another example of business activity flowing overseas that really comes to mind is the problem we are facing with the medical device industry. We are losing our innovative medical device companies because of our stupid tax system and the 2.3 percent tax on sales or gross income of our medical device companies—many of which haven't made a profit yet. They would be taxed, even though they are not making profits, but will make profits if they can keep going with their innovative and good ideas.

We know, thanks to ObamaCare's medical device tax, that some of America's most innovative companies in an industry that is vital to our health care system are moving jobs overseas. Yet where is the call from the leadership on the other side to do something about this? In fact, there is nothing but stalling of legislation to solve this problem, which I think almost any intelligent person would want to do.

As it stands, it appears not to alarm my friends on the other side when business activity flees the country as a result of punitive taxes under ObamaCare. Yet, if a company with a large revenue base takes taxes into account when considering mergers and acquisitions, the alarm bells sound and legislation is put forward in no time. I would say there is a bit of inconsistency on the part of some of my colleagues who claim they want to keep jobs and business in the United States. If they do, why aren't they doing something about this stupid tax on medical device companies?

We had a vote on this earlier in the year, on a bill that didn't go through both Houses—and the leadership knew it wouldn't go through—where we had 79 votes in favor of abolishing this tax. There is wide bipartisan support to get rid of it. What is wrong with the other side that we have to continue to fight to get rid of something that 79 people in the Senate voted to get rid of? And by the way, I believe if we brought it up true blue, in and of itself, it would pass here with probably 95 votes, if people give any consideration to American business, American ingenuity, solving the problems of health care, bringing health care costs down, which medical devices can do, and saving lives. It is no small reason why some of these medical device companies are moving overseas where they are treated far better than we treat them here. We had 79 people who voted to get rid of that stupid tax. Yet the leadership of this body won't allow it to be brought up freestanding or on some bill that basically has a chance of passage through both Houses of Congress.

Now, there is, of course, bipartisan legislation that would correct the problems we face with the medical device tax; namely, a bill introduced by Senator KLOBUCHAR and myself. And I commend Senator KLOBUCHAR. She has had a lot of guts plus a lot of ability in working on this bill. Sadly, the Senate Democratic leadership has thus far refused to allow an up-or-down vote on the measure, even though we know it has broad bipartisan support, as I have heretofore mentioned.

My hope is this will change with the upcoming debate over tax extenders, but I am not holding my breath. Given our ongoing experience with the medical device tax, I have to say I am a little skeptical when my colleagues on the other side of the aisle say they are concerned about American companies moving addresses and operations out of the country. Indeed, if they were really so bothered by this, we would have repealed this medical device tax a long time ago.

Finally, I would just like to give a brief aside on the topic of retroactive changes to our tax laws. In my view, stability and predictability are bedrock principles of the law. When it comes to our tax code, we have gotten away from that over the years. Restoring these principles to our tax system should be one of our main goals of tax reform.

Put simply, retroactive changes to the law—the kind envisioned by my colleague's op-ed—are the antithesis of stability and predictability and will

only make tax reform that much harder. No matter how well intentioned, and no matter how large the short-run revenue gains are to be had from retroactive changes, I believe the long-term affects are harmful and, in my opinion, such proposals should be viewed with a healthy dose of skepticism. I know my colleague is very sincere in making the points that he has, but I have to rebut those points, and I believe I have done so effectively.

Once again, the effort to prevent tax-motivated inversions can be boiled down and separated into two basic camps: One side would have us simply address the problem and impose arbitrary and perhaps costly restrictions on American businesses to prevent them from leaving the country.

The other side would make the United States a better place to do business, preventing companies from wanting to leave in the first place and inviting new ones to form and prosper here.

Only one of these approaches will actually fix the problem. Only one of these approaches will help create jobs and grow the economy, and only one of these approaches will put our Nation on a path to greater prosperity. That approach is, of course, comprehensive tax reform. That is what is needed, and that is where our focus should be.

As I said last week, as the ranking member of the Senate's tax-writing committee, my focus, when it comes to the problem of inversions, is to fix the underlying problems, not to tinker on the edges, focusing on the symptoms. I hope eventually that is the approach we take.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER (Ms. HEITKAMP). The Senator from Maryland.

Mr. CARDIN. Madam President, first I want to thank Senator HATCH. I deeply respect his views. He is one of the most effective Members of the Senate. He has deep views and reaches across party lines to try to get things done, which I think is very important, and I respect him greatly.

I want to agree with the conclusion of Senator HATCH. The problem with corporate inversion is best fixed if we do comprehensive tax reform. I believe he is right. We have two paths we can take. One is to try and reform our current tax structure, which I think will not work, and I will give my reasons why; or we can look for a competitive tax structure that is fairer to the American people and makes measures such as corporate inversions something that would not be happening in our communities.

Pfizer and AstraZeneca are looking at a merger. AstraZeneca is a British company. They own major operations in my State of Maryland, affecting thousands of workers. We would think a merger between a British company and an American company would mean more jobs in America, but we know Pfizer has made certain commitments to the British Government about maintaining and expanding jobs in Great Britain, which we worry is at the cost of American jobs and jobs in my home State of Maryland.

We have heard one of the reasons for the merger is corporate inversion. What do we mean by that? It means Pfizer, an American company, will merge with a British company and then use that to transfer its revenues, which are legitimately earned in America, many as the result of intellectual property developed in America, and then attribute that income to foreign sourced, rather than to domestic sourced, trying to avoid U.S. taxes.

Our Tax Code should not encourage that action. Several Members of the Senate and I are working within our current Tax Code to make sure that doesn't happen here in America. Our Tax Code should not encourage companies to take their income offshore. They should pay their fair share of taxes in the United States.

But as Senator HATCH pointed out, and I agree, we need a more competitive Tax Code. We need a Tax Code that would allow for better competition for American companies, for our manufacturers, for our producers, for our farmers, that will allow easier capital formations so we could raise in America more of the capital we need and be less dependent upon foreign-sourced investment, although foreign-sourced investment is certainly helpful to our country and something we encourage.

We need a Tax Code that is fair, that people believe they are being treated fairly with their neighbor, which is not the current situation. Most Americans cannot figure out the income tax code and don't know whether they are being treated fairly with other taxpayers, and we need a code that is much more efficient.

So one path we could pursue and that Senator HATCH was alluding to is to try to reform our current income tax codes—our corporate income tax code and our personal income tax code.

We have an example of that. Congressman CAMP has come up with a comprehensive proposal in the House of Representatives. I must say I don't think Congressman CAMP's proposal adds up from the point of view of producing the revenue we produce today, let alone the revenue we need in order to pay our bills and not be dependent upon borrowing money from other countries. But putting that aside, I think we see the difficulty in the Camp proposal, which causes major disruptions among different industries, and we are hearing from those industries that it would create major problems for competitiveness for the United States.

I think the most fundamental flaw with trying to reform our current Tax Code is we tried that once before in 1986, and it was comprehensive and it did spread the burden and it did reduce the rate. It lasted for less than 1 year before Congress continued to change the Tax Code.

Today we have tens of thousands of changes since the 1986 tax reform and we have many temporary provisions. That is why we have the bill before us right now to deal with these expiring tax provisions. I don't think there is any way of getting around these types of problems moving forward under our current Tax Code.

I will point out a fact I don't think most Americans have understood. If we look at all the OECD countries—the industrial countries of the world, countries that we like to compare ourselves to, countries that we want to be competitive with—of all the industrial nations of the world, the United States is near the bottom in regard to their reliance upon government services. In Europe they have much stronger government services in health care and housing and income support-type programs than we do in the United States.

If we rely less on governmental services, wouldn't that mean we should have the lowest competitive tax rates among the industrial nations? Instead, as Senator HATCH pointed out, we have the highest marginal tax rates among the industrial nations, and the reason is quite simple. Of all the industrial nations in the world, only the United States does not have a national consumption tax. We rely on income tax revenues. Why? Because we thought that was the right way to go, and we didn't have to worry about international competition. After all, we are America.

Guess what. We are in global competition today, and the tax rates of this country matter in regard to our manufacturers being able to sell products overseas.

One other fact about international competition. International competition rules at the WTO were developed based upon consumption taxes. So if a company manufactures an automobile in Germany and wants to bring it into the United States, the taxes they pay—the consumption taxes—are taken off of that product. So basically their autos sell in America tax free; whereas, U.S. auto manufacturers that have to pay taxes, those taxes still apply to the cost of the product because it is not border adjusted.

Then, to make matters worse, if they manufacture a car in the United States and try to sell it in Germany, they not only have to pay the corporate taxes here, the income taxes—because they are not taken off at the border, they are not border adjusted—when they go into Germany, they have to pay the value-added tax, the consumption tax. How do we compete under those circumstances? The answer is it is very difficult. In global competition today, we have to be smart.

This is why we should have the lowest marginal tax rates in the world. If we did, corporate inversion would not be an issue because we wouldn't find a Pfizer trying to pay British taxes when the U.S. taxes are the lowest taxes among the industrial nations of the world.

So I have a proposal called the progressive consumption tax. ''Progressive,'' what do I mean by that? It means the taxes paid at the Federal level will be more reflective of a person's ability to pay than our current income tax code is. We make it progressive so it is fair, in that they pay according to their ability to pay a progressive consumption tax. That consumption tax rate will be the lowest among the industrial nations of the world.

I will give some examples. I will be the first to acknowledge we have to get these scored and these numbers can change as we go along, but we are looking at a consumption tax rate of about 10 percent. This would put us at the bottom of the consumption taxes among industrial nations. Individuals who earn under $25,000 and families up to $50,000 would pay no consumption taxes. They would get a credit for the consumption taxes they otherwise would pay.

Similar to the current income tax code where they do not pay income taxes, they would not pay consumption taxes. It would be immediately rebated to them. If they work, it would be rebated under the payroll tax payments. If they don't work, they would get a debit card to get instant rebates and use it as people use debit cards.

So we would make it progressive. We would then be able to start the income tax rates at $100,000, approximately, of taxable income, and 90 percent of Americans would pay no income taxes. It would start at 15 percent. There would be an additional bracket of 25 percent, starting at $40,000 of taxable income. So a progressive income tax, simplified, with only four deductions, not this complexity today as we figure out whether something is deductible and all the complications.

We would have four deductions for State and local—with respect to federalism—State and local taxes: for charitable deductions because our charities are critically important to carrying out the important work of our country, for real estate and the needs for the real estate to reflect—so we don't see destruction of the real estate market, and we also allow deductions for employer-provided health benefits and retirement benefits. It is simplified, it rewards simplicity, and allows for the progressiveness of fairness in our Tax Code that does not exist today.

The corporate tax rate would get down to 15 percent. That is what corporate America tells us we need to be competitive in the industrial world. This adds up.

Some say: Gee. Consumption taxes raise a lot of revenue. We put in our proposal an automatic adjustment of the rate to make sure it doesn't bring in more revenue than we say. So we are fair on the progressive side to make sure it is fair from the point of view of the ability of middle-class families to pay, and it is fair from the point of view of those who are concerned about government growing, in that it has a circuit break as to the rate based upon the revenue that you need.

What have we accomplished by this? We have accomplished a much simpler Tax Code that people can understand, a fairer Tax Code, one that rewards savings. Savings are not taxed. There is a greater ability to raise capital in the United States. It is border adjusted, which means the taxes come off our exported products so we can compete globally in a much easier way. This is what we accomplish.

So when people talk about fundamental reform, to me, this is what we need to do.

I am going to move this proposal as quickly as I can, but obviously it is going to take some discussion and debate. We are hopeful we will be able to answer anyone's questions on it. We are very optimistic, but in the meantime what do we do? We can't just stand by and allow Pfizer to take American jobs overseas because of corporate inversion. So I hope we will stand for what is right in our Tax Code, that we have the capacity to improve our current Tax Code to avoid the loss of jobs and shipping jobs overseas, as well as working to reform our Tax Code and provide the type of structure so the country that relies the least on government among the industrial nations has the lowest tax rate and has a fairer system for all Americans.

RECESS

Mr. CARDIN. Madam President, I ask unanimous consent that the Senate stand in recess until 2:15 p.m.

There being no objection, the Senate, at 12:27 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. MURPHY).

HIRE MORE HEROES ACT OF 2014—MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The Senator from South Carolina.

UNANIMOUS CONSENT REQUEST—S. 1670 AND S. 1696

Mr. GRAHAM. Mr. President, I have a unanimous consent request that I will make in a moment to kind of set the stage for what I am asking the Senate to consider. We will be asking that we schedule a vote on two pieces of legislation: the Pain-Capable Unborn Child Protection Act, S. 1670, which is my legislation; and S. 1696, the Women's Health Protection Act, by Senator BLUMENTHAL.

Very briefly, what I am trying to do is to have an opportunity for the body to talk about two pieces of legislation that relate to the abortion issue, the role of the Federal Government. Very quickly, my legislation would ban abortion at the 20-week period—the fifth month of pregnancy—based on the theory that the child can feel pain at that point in the pregnancy and that the standard of care for the medical community is that you cannot operate on an unborn fetus at the 20-week period without administering anesthesia, and the reason for that is because the child can feel pain.

There have been individuals born at the 20-week period who have survived. But the theory of the case is not based on the medical viability under Roe vs. Wade; it is a new theory that the State has a compelling interest in protecting an unborn child at this stage of pregnancy. The partial-birth abortion ban, which applies at 24 weeks, is backed up to 20 weeks.

Here is what medical journals tell parents to do at 20 weeks: An unborn child can hear and respond to sounds. Talk or sing. The unborn child enjoys hearing your voice.

It is a whole list of things about the unborn child in the 20-week period.

We are one of seven countries that allow abortions at this stage in the pregnancy, along with China, North Korea, Vietnam, Singapore, Canada, and the Netherlands.

So I would ask the body to consider having a debate on my legislation about whether we should limit elective abortions at the 20-week period and also a debate on Senator BLUMENTHAL's legislation that basically would allow the courts to set aside several State restrictions on abortion. We are going to present a series of actions at the State level. I think his legislation would allow the courts to have a literal construction in terms of being able to strike down these provisions. I disagree with my good friend. We are good friends, although we have a different view. The Senator from Connecticut made a statement when he introduced the bill that every Senator should be on the record when it comes to this legislation. I agree. I hope every Senator would be on the record when it comes to my legislation.

Mr. President, I ask unanimous consent that at a time to be determined by the majority leader, in consultation with the Republican leader, the Senate proceed to consideration of S. 1670, the Pain-Capable Unborn Child Protection Act, and S. 1696, the Women's Health Protection Act; that there be up to 8 hours of debate equally divided in the usual form, to run concurrently; that there be no amendments, points of order, or motions in order; that upon the use or yielding back of the time, the Senate proceed to vote on S. 1670; that following the disposition of S. 1670, the Senate proceed to vote on S. 1696; and that both bills be subject to a 60-vote affirmative threshold for passage.

The PRESIDING OFFICER. Is there objection?

The Senator from Connecticut.

Mr. BLUMENTHAL. Thank you, Mr. President.

Reserving my right to object, and I will object, I respect my friend and colleague from South Carolina. We are friends, and we agree on a lot of issues.

On this issue we fundamentally disagree.

I am here to remind the American people and my colleagues that this proposal to ban abortion after 20 weeks, in my view, is irresponsible and should not be before the Senate. But I am more than happy to cast a vote on it, along with the Women's Health Protection Act, and I hope they will be considered. This issue deserves to be before this body.

Neither of these proposals has yet been considered in committee. The minority leader of this body has recently spoken about the need for ''a vigorous committee process'' in handling bills. This bill should not be considered in this way.

This bill would prohibit the medical profession from performing an abortion when a fetus is older than 20 weeks and would do nothing, frankly, to help women protect their health and the health of their families as well as their right to have control over their health care needs. This bill leaves the vast majority of women who may need an abortion for health reasons after 20 weeks of pregnancy with no options, and it punishes doctors with up to 5 years in prison for providing a service that the doctor believes in his or her professional medical opinion is best for the woman and her family. Our constitutional right to privacy tells us unequivocally and emphatically that these choices should be between the doctor and her family or her advisers, including her clergy.

The proponents of this bill would have us believe the bill would reduce the number of abortions in this country. In fact, the statistic that matters in this debate shows there are a mere 1.5 percent of abortions that occur 20 weeks after conception, and the majority of these medical procedures occur due to a health issue that would put the fetus or mother or both at risk.

Take for example a young woman I am going to call Laura. She is a young mother from Connecticut. She became ill at 22 weeks into her first pregnancy with early onset of severe preeclampsia. Laura's blood pressure rose dangerously, her kidneys stopped, and she was at risk. Her pregnancy was wanted. She wanted a baby and she planned for it, but she needed to end it to protect her health. Her physician was able to provide her with a timely and safe abortion. Although Laura felt a future pregnancy would be too risky, she went on to adopt three children.

Facing such severe medical risk, women such as Laura need the safest care modern medicine can offer. With all due respect, Senator GRAHAM's bill ignores the health realities of women, the realities they face every day in Connecticut and around the country. Had this bill been law, a doctor would have had to wait for Laura to be facing death before protecting her with the abortion she needed.

The Women's Health Protection Act would put women's rights first. The Women's Health Protection Act seeks full and thorough consideration of these issues, and I seek it through the regular order. Let's have hearings, let's consider these measures in committee, and let's bring them to the floor in a way that they can be debated insightfully and thoughtfully, not this way. The Women's Health Protection Act protects a woman's health and her ability to make her own decisions and her constitutional rights.

I object.

The PRESIDING OFFICER. The objection is heard.

The Senator from South Carolina.

Mr. GRAHAM. We already have laws in this country banning elective abortions at the 24-week period. It is called the partial-birth abortion ban. It has been through the Supreme Court, it went through this body, it went through the House, and it got overwhelming support. That bill has exceptions for rape and incest and cases that involve the life of the mother; so would this. We are just backing it up 4 weeks, and the reason we are backing it up 4 weeks is because at 20 weeks people have been born and survived. I know twins who were born at 20 weeks.

But the theory of the case is that the government should have the right to protect an unborn child, and most of the abortions are so far along that the medical science requires anesthesia before you operate. The question is, If we are going to require a doctor to provide anesthesia to the baby before they operate to save its life, should we authorize abortions at that point?

The Washington Post poll showed just a few months ago that by 56 to 27 percent, people supported the 20-week pain-capable bill—60 percent women.

At the end of the day I hope we can have a debate on this issue. The reason I brought it up today is because this is the anniversary of the Dr. Gosnell case, which was one of the most horrendous cases in American jurisprudence, where a doctor received life sentences for three counts of murder. He was an abortion doctor aborting babies at the latest stage of pregnancy. If the babies survived the abortion, he would cut the spinal cord. Three women died as a result of the care given by him. It was a chamber of horrors. It was a year ago today.

I hope people will not forget what Dr. Gosnell did, and if we can prevent occurrences such as that, we should, and that is what this bill is designed to do—to make sure the unborn child at this stage of the pregnancy has a chance to continue on. There are only seven countries in the world that allow abortions at this stage, and I hope that when this debate is over, the United States will not be in the seven.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. BLUMENTHAL. Mr. President, I respect the sincerity of my colleague from South Carolina. The fact of one instance of possible medical malpractice does not justify this kind of sweeping abrogation of women's reproductive rights or women's health care. The principle is the same whether it is 4 weeks back or 4 weeks forward. The principle is that a woman has constitutional rights to choose health care and has a constitutional right to privacy that would be negated by this measure. And we are siding with improving women's health care, enhancing and upgrading it, and giving women choices and protecting those choices, not cutting back by 4 weeks or in any way infringing on that fundamental right.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Ms. BALDWIN. Mr. President, I ask unanimous consent that following my remarks, Senator BOXER be permitted to speak for up to 10 minutes.

The PRESIDING OFFICER. Without objection.

Ms. BALDWIN. Mr. President, today the senior Senator from South Carolina and his Republican colleagues have proposed a measure which amounts, in my opinion, to an attack on the freedom of American women to make their own personal health care decisions. Instead of focusing on improving access to health care for women, these Senators are pursuing divisive policies that jeopardize women's health and put politicians and government between a woman and her doctor.

I object to this dangerous political game. Women's access to quality health care is not a political game for me and some of my colleagues who join me here today, nor is it a game for women and families across the country and in my home State of Wisconsin. Too many States have enacted record numbers of laws that restrict women's access to reproductive health services and the freedom to make their own health care decisions. These restrictions, such as the one we heard proposed earlier this afternoon, have real and serious consequences for American families.

I recently heard from a mother in Middleton, WI, who at 20 weeks of pregnancy was devastated to find out that her baby would not survive delivery. She had to undergo an emergency termination. A clinic in Milwaukee, WI, was the only place that would do the procedure, but because our Republican Governor was preparing to sign a law imposing some incredible requirements and burdens on providers, this particular clinic was preparing to close its doors and they wouldn't schedule her for an appointment. She and her husband were forced to find childcare for their two sons and travel to another State in order to get the medical care she needed.

The threat in Wisconsin and in States across the country is clear: When politicians play doctor, American families suffer. This is why my good friend from Connecticut Senator BLUMENTHAL and I have introduced a serious proposal—the Women's Health

Protection Act. It would put a stop to these attacks on women's freedom. Our bill creates Federal protections against restrictions such as the Republican proposal we were hearing about today, proposals that unduly limit access to reproductive health care, that do nothing to further women's health or safety, and that intrude upon personal decisionmaking. I look forward to working with my colleagues to advance this important legislation through the committee process and through regular order.

We know today's spectacle is not meant to produce a serious debate about protecting women's reproductive health; it is about the narrow Republican agenda to take our country backward and to roll back important health benefits for American families.

We have seen this with the numerous failed attempts by Republicans to repeal the Affordable Care Act that have empowered millions of women with more choices and stronger health care coverage. Today, women can finally rest assured that they will not be charged more for their coverage just because they are women, and someone's mother can get a lifesaving mammogram without the fear of high medical bills.

Over 50 times congressional Republicans have tried to roll back this economic security for millions of American families. Republicans, it seems, would gladly go back to the days where being a woman was considered a preexisting condition and insurance companies could drop your coverage because you get sick, get older or have a baby. But we are not going to go back to those days just as we are not going to create a future where politicians in Washington take away the freedom of women to make their own personal health care decisions.

I am committed to putting a stop to the relentless and ideological attacks on American families and will continue to fight to ensure that both men and women have the freedom to access the health care services they need. In the United States of America, health care should be a right guaranteed to all. That is why I and so many of us have fought and we will continue to fight as we move our country forward.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I ask to add 10 minutes to the 10 minutes I have already requested.

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

Mrs. BOXER. Mr. President, I listened carefully to Senator LINDSEY GRAHAM, who put forward a very dangerous bill for women and their families in this country. I will explain in a moment why I think it is dangerous, but what was interesting is that I believe he said he brought it forward today because it is the anniversary that Dr. Gosnell was convicted and sent to prison. This is a rogue doctor who committed despicable and illegal acts and is now serving life in prison without the possibility of parole for what he did—abusing the trust of being a reproductive health care doctor. Dr. Gosnell is away, as he should be.

How does my friend from North Carolina commemorate this? By putting forward a bill that will drive more women to rogue doctors. If we make it illegal for a woman, regardless of her circumstance, she is going to find a way to save her health, her life, and her family.

Women deserve to have protections. The bill that my friend proposed simply says that after a certain number of weeks, an abortion will not be allowed no matter what a woman's health situation is, and that is very dangerous.

I ask—just rhetorically—how can a Senator say he is doing something right for women and their families when there is not a health exception? If a woman goes to the doctor and finds out she is facing cancer, kidney failure, blood clots or some other tragic complication, why should the government step into the middle of her family? Why should the government and U.S. Senators be allowed to step between the woman, her doctor, her God, and her family? It is a disgrace, especially from a party that is known for saying: Get Government off our backs.

This is horrible. There is no exception for rape or incest victims who are unable to report those heinous crimes. Let's say initially they were too frightened and then suddenly they get their courage. Well, too bad. Have your rapist's child. This is not a government that cares about families. This is a government that steps into our business at the most tragic moments of our lives.

The bill is so extreme that the American Congress of Obstetricians and Gynecologists, which represents thousands of OB/GYNs, said these restrictions are ''dangerous to patients' safety and health.'' Who do you think stands up for the health of the women in this country? U.S. Senators or doctors who know the women, the family, and the circumstances of her health?

I have a letter from Christie, who lives in Central Virginia, and she said:

> My husband and I were confronted with two equally horrible options—carry the pregnancy to term and watch our baby girl suffocate to death upon birth, or terminate the pregnancy early and say good-bye to our much-wanted and much-loved baby girl.

Why should a Senator tell her what to do? It is a war on women. When you tell a woman in that type of circumstance what to do and take away her right to use her mind, her brain, and the love she has for her family, her husband, and her children to make that decision, it is a war on women.

Christie was pregnant with her second child when that happened. She wanted this baby, but it was not until a 20-week ultrasound that she found out her daughter would suffocate to death at birth. What U.S. Senator has a right to make her watch that baby child suffocate to death? I am sorry, but that is not life-affirming.

Then there is Judy from Wisconsin. She says:

> I know what it is like to live without a mother. My mother died when I was only 4 years old, and it changed my life forever.

Four months into her pregnancy, Judy developed a pregnancy-induced blood clot in her arm. The only guarantee she would not die and leave behind her 5-year-old son was for Judy to terminate the pregnancy. She and her husband made the very difficult decision to terminate that pregnancy.

What right does a U.S. Senator—who doesn't know her, doesn't know her husband, doesn't know her family history and how she lost her mother when she was young—have to step into that world at that moment and tell her what she has to do. Do we think so little of the women of this Nation?

We just had Mother's Day. We lauded our mothers. We are crying out for the girls who were taken by terrorists. If we all care, then why would we support legislation such as this?

Then there is Bridget's story. At the time, she was a 25-year-old mom looking forward to the birth of her third child. She initially had a normal ultrasound at 13 weeks. Her second ultrasound showed a major, complex fetal cardiac malformation, a fatal problem. Because tests could only confirm this fatal defect later in the pregnancy, she could not make a decision until after the 20 weeks.

What right does a U.S. Senator have to get in the middle of her most personal, most private, most difficult decisions? There is a place for government. It is to make life better for people. It is to say: We are with you. We have your back. We understand what you are going through. It is not to make life so difficult for people.

In Missouri, Julie and her husband were told relatively early in her pregnancy that the baby they were expecting had multiple abnormalities and would not survive outside the womb, but it took her 3 weeks to locate an abortion provider because they had shut down so many providers. They found out, under Missouri's restrictive laws, she would have to travel 2 hours to a facility on two separate occasions to comply with the State's 24-hour waiting period. When they were finally able to get the care they needed, her pregnancy was just over 20 weeks.

What right does any U.S. Senator have to step out there and tell the American people that we know better than their families know, that we know better than their doctors know, and that we know better than their clergy knows?

This bill targets doctors who risk their lives to help women who are at risk for paralysis, infertility, have cancer, and whose lives would be in danger if they continued the pregnancy. This bill would throw those doctors in prison for 5 years just for providing needed health care to their patients.

I don't know what kind of country people envision when we have the government policing the private health care decisions of women and their families. Why would we want to go back to the last century and open battles that have long been fought? Those battles were fought in 1973 when Roe v. Wade was the decision of the Supreme Court, and do you know what that court said? They balanced all the rights—the rights of the fetus with the rights of the mother—and they said early in the pregnancy, a woman has the right to choose. It is her decision, but as she goes along with the pregnancy, then later, yes, there will be restrictions, and that is fine as long as the health and the life of the mother are in the forefront.

This legislation that Senator GRAHAM wants to vote on—before it goes to any committee as Senator BLUMENTHAL was saying—it is not what is best for women and their families or our communities, it is about an extreme rightwing agenda that needs to stop. This is a moderate country. We work together. I don't get everything I want, you don't get everything you want, but we work it out.

To come and offer legislation that is extremely dangerous to women is, in my opinion—I don't know what to call it. It is out of sync with what we ought to be doing. As Senator BALDWIN said, we ought to be fighting, and she used that word ''fighting.'' We should be fighting for health care for women, fighting for the rights of our families, so they can have decent health care, and not putting rules in the books that are so onerous that a woman is desperate. I don't understand it.

I believe the Republican Party has moved so far to the right, it is unrecognizable to me. When I started out in politics—which was a long time ago—Republicans and Democrats worked together on the environment. Now we can't get a vote from them so we can ensure that the Clean Air Act is protecting our people. We can't get them to address climate change. We cannot get a vote from them. Maybe once in a blue moon we get a vote from one or two. George Herbert Walker Bush was the President who worked hard at Planned Parenthood, and that is where Republicans used to be. We would come together on protecting a woman's right to choose. There were more Republicans in Planned Parenthood than Republicans when I got started in politics. Now the Republicans want to run Planned Parenthood out. They want to shut down their clinics and stop all the good they are doing to prevent unwanted pregnancies.

I call it a war on women. We heard people say: Well, maybe there is such a thing as legitimate rape. Have you ever heard of anything so outrageous? We can't even get anyone to move forward on equal pay for equal work around here.

I am sad to say that I think this bill is part of the war on women. Clearly, they are the ones who will suffer, along with their doctors. We don't put women in grave danger. We don't put up legislation without a health exception. We don't step in the middle of our families' most difficult decisions.

Americans want us to focus on making life better for our families. They don't want us to create new health risks. God knows we have enough health stressors just breathing the air out there, getting the flu and everything else. We don't need legislation that restricts a woman's rights when she needs to have us at her back, helping her, making her safe. Let's not go back to the last century.

If somebody has a bill such as this, I hope they will let it go through the whole committee process. We need these women who I quoted today to look Senators in the eye and say: Senator, please stay out of my life. These decisions are difficult enough, but I know I can handle them with my family, with my God, with my support system.

Roe v. Wade is the law of the land. In the early stages, a woman has a pretty much unfettered right. As we go along, there are more restrictions. But we never, ever turn our back on a woman's health or her life. That is what Roe says.

Frankly, I hope this bill and others like it will not see the light of day because it could only make life very difficult for many of our families.

I thank the Chair. It is an honor to work with the Presiding Officer on this issue.

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

The PRESIDING OFFICER (Ms. BALDWIN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. SHAHEEN. Madam 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 New Hampshire.

REMEMBERING OFFICER STEPHEN ARKELL

Mrs. SHAHEEN. Madam President, it is with great sadness that I rise today to honor the memory of Brentwood Police Officer Stephen Arkell.

Officer Arkell's life was tragically cut short yesterday while responding to the call of duty—the same call of duty he courageously answered countless times over the course of his career. A 15-year veteran of the Brentwood Police Department, Arkell served as a part-time officer as well as an animal control officer for the town of Brentwood where he was born and raised. As is the case with all of our first responders, his commitment to protecting our communities was unparalleled. That commitment was integral to keeping our families, our children, and our community safe every day. That same commitment, and Officer Arkell's sacrifice, is something New Hampshire will never forget.

Stephen Arkell's life and career epitomized the heroism of our first responders, and all of us, every day, will be forever grateful for that. Today my thoughts and prayers are with his family—his wife and his two teenage daughters, his loved ones, the Brentwood Police Department, and the entire Brentwood community, as well as New Hampshire's entire law enforcement community. I hope they can all take some solace in knowing that New Hampshire joins them in both mourning Officer Arkell's loss as well as celebrating his selfless sacrifice and his service on behalf of Brentwood and our beloved State.

Thank you, Madam President. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

BEING IN THE MAJORITY

Mr. CORNYN. Mr. President, shortly after I arrived in the Senate, in 2002, Republicans—my political party—became the majority party, and I quickly learned a few important lessons. First of all, being in the majority is better than being in the minority. But part of the price of being in the majority is that sometimes you have to take some tough votes via the amendment process. In other words, when the Senate is operating the way it was originally intended—and which it always has until recently—any Senator has the right to seek recognition and offer an amendment on almost any topic on almost any bill. My colleagues told me at the time—they said: It has always been that way, and it is the way it always should be, if we are serious about protecting minority rights.

So why should I care, being a Member of the majority, about protecting minority rights in the Senate? Well, in the intervening years, my political party has gone from being in the majority in the Senate to being in the minority. That is one reason to care. The other reason to care is because every Senator was elected by their constituents in their State to represent their State, and when any Senator—whether they are in the majority or the minority—is shut out of the process, their constituents are shut out of the process. That is not what the Constitution contemplates when it says that each State has a right to send two Senators to Washington. If you can tell one of those or both of those Senators to sit down and be quiet, you cannot offer any amendments, you cannot get any votes on your amendments, you are effectively shutting out, in my case, the 26 million people I represent in the State of Texas.

So the message is this: If you do not want to take tough votes, you are in the wrong line of work—you are in the wrong line of work. The way the Senate should operate is that each of us is

accountable to our constituents, and when they disagree with us about a vote, then they have a right to tell us. That is called petitioning your government for the redress of grievances.

Accountability, which is the way this Congress is supposed to work, can only work when we have an open process, where the minority gets to participate in the process and the majority gets to participate in the process. And guess what. If you are in the majority on a given subject, you are going to win. But that is no justification for shutting down the minority and saying: Sit down; shut up; forget about the fact that you have an election certificate from your secretary of State saying you were duly and regularly chosen by the voters in your State to represent them in what used to be the world's greatest deliberative body.

Here is something else I learned when I came to the Senate—something that does not happen as much now—but what I learned is this place works best when individual bills are drafted by Senators and move through the committee process. That is because usually the committees that have jurisdiction over those pieces of legislation have some experience and some expertise in the subject matter, and sometimes the subject matter gets pretty complicated. And it is good for the Senate, it is good for the United States to have a committee look at the legislation. People will have a chance to offer amendments and have them voted up or down before they then come to the Senate floor. Then every Senator gets to participate whether they know very much about the topic. Hopefully, all of us get to be smart pretty quickly when a bill comes to the floor because that is our chance to have a say on behalf of our constituents, whether we are in the majority or whether we are in the minority. We do not have a right to win—the minority does not—but we do have a right to a voice and a vote and to participate in the legislative process, which is what has been denied under the current majority leader.

More than a decade after I came to the Senate, I hardly recognize it; it is so dramatically different. Indeed, in some ways it is diametrically opposite from what it was when I got here and, frankly, the way the Senate has operated for a couple hundred years since the founding of our country. Only in the last few years under the current majority leader has the Senate become completely dysfunctional, where the majority leader becomes, in essence, a dictator who says: No, Senator, your amendment cannot be considered, it cannot be voted on. In other words, it is not up to the Senator to offer an amendment to try to shape legislation on behalf of our constituents, to engage in robust debate; it is the majority leader who basically becomes the traffic cop who says who stops, who goes. Of course, that is one reason why the Senate has become so dysfunctional.

Under the current majority leader, an unprecedented number of bills have come directly to the floor from his conference room, from his office, and bypassed the committee process. In fact, many of my colleagues, including many of my Democratic colleagues, have been left wondering: Why in the world have committees in the Senate if we are not going to use them, if we are not going to use the committees for the experience and the expertise those Members serving on those committees have before it comes to the Senate floor.

In addition to bypassing the committee process in an unprecedented sort of way, once the Senate legislation comes to the Senate floor out of the majority leader's conference room—or wherever it is it comes from—Senators from both parties, representing hundreds of millions of American citizens, are routinely denied the opportunity to offer amendments and engage in meaningful debate. We just saw that yesterday as a direct result of the majority leader's denying anyone—the Presiding Officer, one of our Democratic colleagues, or anyone—an opportunity to offer amendments and to get votes on those amendments on an energy bill, which is the first time we have had an energy bill on the floor since 2007. The majority leader shuts down the process and says, in essence: Sit down; shut up; good luck.

During the 109th Congress, when Republicans controlled this Chamber, Democrats were allowed to offer—that is the minority party was allowed to offer—1,043 separate amendments—1,043 separate amendments during the 109th Congress. Do you know how many amendments Republicans have been able to offer since July of last year in the Senate? Nine—nine Republican amendments in 10 months.

Majority Leader REID has filled the amendment tree—that is the technical jargon; someone has called it basically that it is the gag rule of the majority leader, but it is technically blocking the amendment process—more than twice as much as majority leaders Bill Frist, Tom Daschle, Trent Lott, Bob Dole, George Mitchell, and Robert Byrd combined; that is one, two, three, four, five, six—six previous majority leaders did not do it as much as the current majority leader, Senator REID; that is, block out any amendments from the minority.

I know because we have talked about this so much before most Americans really are not focused on Senate procedure and they think: Well, maybe this is just one Senator who is a little sore at being frozen out of the process and losing on a particular piece of legislation. But, again, this is not about the prerogatives of an individual U.S. Senator; this is about the people's prerogative, the people's right to participate in the process. The very legitimacy of our form of government depends upon consent of the governed. How can the people the Presiding Officer represents and I represent consent when they have been shut out? Is this what the Founding Fathers had in mind when they created our great system of government—to shut our fellow citizens out of the process, to trample on minority rights? Hardly.

Before I conclude, I want to say a quick word about some of the majority leader's most recent comments when we have had a discussion about this problem.

When Americans ponder the root causes of Washington dysfunction and gridlock, I hope they remember the majority leader of the Senate, who leads this great institution and has referred to the minority party in the Senate as ''greased pigs.'' He has accused us of wanting to suppress voting rights. He has claimed we have tried to ''dump on'' women and minorities. He describes Senators representing their constituents with amendments as ''screwing around,'' and he demonizes private citizens exercising their rights under the Constitution of the United States as ''un-American.'' I have to confess, I find these comments insulting, I find these comments disrespectful, and I find them embarrassing.

How can we ever expect to reach compromise, which is the only way things happen here? Neither party can dictate on their own what the outcomes legislatively will be, so the only way we can do it is to try to find common ground and work together, without sacrificing our principles, of course. But how are we ever going to solve some of the most complex legislative challenges that confront us—such as tax reform?

We have a bill on the floor where we are being asked to extend 55 expiring temporary tax provisions. For how long? Well, through 2015. Is that a good way to do business? Well, no. What kind of uncertainty is there when we do not even know what the Tax Code is going to say for more than a year and a half?

Then there is entitlement reform. I mentioned this before. We have these pages here who are serving in the Senate. They are in high school. Someday the $17 trillion the Federal Government owes to our creditors is going to have to be paid back—someday. When that happens, I daresay interest rates are not going to be at zero, which is what they are now thanks to the Federal Reserve because the Federal Reserve is trying to juice the economy, doing the best it can to get the economy back on track, although we do not have a lot to show for it. The economy grew at 0.1 percent last quarter.

How are we going to fix our broken immigration system if the majority leader is going to routinely slander Members of this body and our constituents? How are we going to fix what is broken if the majority leader wants to trash talk folks on this side of the aisle and people he disagrees with. He even called them un-American. For what? For participating in the political process. Well, of course, he would like to

shut them up and make them sit down so he could do what he wants without any resistance or without anybody questioning his actions.

Recently in Austin President Obama and others gathered for a historic celebration. It was the 50th anniversary of the adoption of the Civil Rights Act. Do you know how many amendments were voted on by the Senate when the Civil Rights Act was passed? There were 117 amendments.

Do you think this Congress and this Senate today, under this majority leader, would have any opportunity to pass historic legislation to heal the wounds of our country that date back to the very founding of this Nation, given the fact that the minority is shut out of the process, no amendments are allowed, and no votes on those amendments? There is no way. What a tragedy—the 50th anniversary of the Civil Rights Act.

Then for more mundane matters, when the Panama Canal treaties were debated in this body, there were 75 rollcall votes. That was a very controversial issue at the time. But there are nine rollcall votes in this body coming from the Republican side since July, with no prospect of allowing any amendments on the current tax bill that is on the floor.

Just like the energy bill that we concluded yesterday, there is no prospect in sight for a better outcome and better behavior by the people who should know better. How can we expect to achieve comity in this Chamber when its most powerful Member has done so much to poison the atmosphere.

The Senate of 2014 is certainly not the Senate that our Founding Fathers envisioned, nor is it the Senate that my former colleague, Senator Chris Dodd, described in his 2010 farewell speech. Let me quote just a small portion. Senator Dodd reminded us that:

> The Senate was designed to be different, not simply for the sake of variety, but because the Framers believed the Senate could and should be the venue in which statesmen would lift America up to meet its unique challenges.

Unfortunately, the Senate will never be able to play that unique role in American government and American history until the majority leader shows greater respect for the constituents we represent and for this institution.

As I said, this debate is not about procedural niceties, it is not about the prerogatives of the Senator because they think they are so important. When Republicans offer amendments to pending legislation, we are trying to give our constituents the voice that they are guaranteed by the Constitution of the United States of America.

When the majority leader refuses to let us vote on amendments and refuses to let us have a real discussion about America's biggest challenges, he is effectively gagging millions of Americans who don't share his particular views. That is why the Senate has become so dysfunctional, because of the majority leader and his conduct.

I can only hope—indeed, I can only pray—that the majority leader will change his mind and act as the genuine leader the Senate deserves and less as an angry dictator.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. I would ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. ISAKSON. At the outset, let me express my sympathy to the Senator from West Virginia on the tragedy that took place in his state. Our hearts and minds are with you and your citizens.

REMEMBERING CLISBY CLARKE

Mr. President, one of the sad occasions from time to time of a Senator is to rise to pay tribute to a friend and a citizen in one's State who passes away. It is now that occasion for me.

This past week a great hero of Georgia—both the University of Georgia and the State of Georgia—Clisby Clarke passed away in his sleep in Highlands, NC. He will be laid to rest in Atlanta, GA, on this coming Thursday at a ceremony beginning at 11 a.m. at Peachtree Road United Methodist Church.

Clisby was not just a citizen of my State, he was an extraordinary citizen of my State, a University of Georgia graduate who was the hit of the University of Georgia as one of the great songwriters on our campus. He wrote most of the fight songs that are played today for the University of Georgia football team and could tear up the piano by playing by ear like no one you have ever seen.

He was a talented pitchman who could make things sound good at the drop of a hat, which is why he went to work for McCann-Erickson, one of the great public relations firms in the history of our city. He led that firm to unparalleled heights, and for a while, when I ran my company, I hired Clisby Clarke to do all the public relations for our company.

He married Bunny. From our days at the University of Georgia I remember Bunny and Clisby at the SAE House many nights, Clisby sitting around playing the piano, entertaining us, my wife Dianne and I—who then wasn't my wife, but I was dating her—enjoying it, just enjoying our friendship and his great talent.

Clisby, when he retired from McCann-Erickson, didn't quit working; he volunteered his time for others. In fact, when he passed away this week late at night in his sleep, it was after having a successful planning session for a dinner that is going to be held June 1 in Atlanta, GA, where over 750 people are coming to a black-tie event which will raise over half a million dollars for veterans who have been injured with traumatic brain injury or PTSD.

Clisby never stopped working for those less fortunate or those who needed help. His commitment to that project is unparalleled in our city's history. When we all go to that dinner on this coming June 1, on that evening, and celebrate the victory from raising money for those with TBI and PTSD, we will also dedicate that evening to Clisby Clarke, a great Georgian and a great American who from the day he was born until the day he passed away was always paying tribute and doing his loving work for those who were less fortunate and in need.

To his wife Bunny, to his family, and to his many friends, to all of us who were together fraternity brothers at the SAE House at the University of Georgia in Athens, we pay our tribute to Clisby Clarke, a great American. May God bless his soul.

I yield back the time, Mr. President. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. AYOTTE. Mr. President, I ask unanimous consent that the quorum call be rescinded.

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

REMEMBERING OFFICER STEPHEN ARKELL

Ms. AYOTTE. Mr. President, it is with a heavy heart that I rise today to honor the life and legacy of Officer Stephen Arkell, a member of the Brentwood Police Department who was tragically killed last night in the line of duty.

Citizens across New Hampshire are mourning the loss of Officer Arkell, whose bravery and courage represented the very best of our State's law enforcement community. Our hearts go out to his grieving family, friends, and fellow officers, as well as the people of the town of Brentwood, where he served so well. We are holding them close to our hearts and keeping them all in our thoughts and prayers during this very difficult time for not only the Brentwood community but for the entire State of New Hampshire.

Officer Arkell was an unsung hero. He went about his extraordinary work in a quiet, humble way, going above and beyond the call of duty to serve and protect the people of Brentwood and New Hampshire. During his 15-year career as a police officer, he touched countless lives through his selfless service to the people of Brentwood—proudly carrying on a noble profession.

First and foremost, Officer Arkell was devoted to his family. Our hearts are broken for his wife Heather and their two teenaged daughters. They are forced to cope with an unimaginable loss that no family should ever have to endure. We share in their sadness. We will be there to comfort them as they mourn—the entire State of New Hampshire—and we will always stand by their side.

We are grateful to them for the sacrifice they have made for us to be safe and for everything they have done and for what they have endured. There is no way we can repay them for the sacrifice they have made for the State of New Hampshire to be safe. They lost a great dad.

I especially want to recognize Officer Arkell for the selfless time he took to be a great coach. He coached lacrosse, teaching a new generation about teamwork and competition. He was exactly the kind of role model that any parent would want for their son or daughter.

Officer Arkell was also someone whose friendship could be counted on. He has been described as a friend who would ''give you the shirt off his back''—a man who was ''kind'' and ''ethical'' and ''very caring.'' He was well liked and well respected in the community that he served.

Sadly, this is not the first tragedy we have seen in Rockingham County. Just last year we added Greenland Police Chief Mike Maloney's name to the National Law Enforcement Officers Memorial here in Washington, DC. Our State continues to grieve for Chief Maloney.

Unfortunately, Chief Maloney's death and the death last night of Officer Arkell remind us of the dangerous work our police officers do every single day on our behalf. When they go out at night, on weekends and holidays—and we are all safe at home with our families—they don't know whether that next stop or next response they have to make will be their last.

We are grateful for the service of all of the police officers in New Hampshire and across this country who go out every day and serve our Nation and keep us safe. Officer Arkell certainly represented the very best of our law enforcement community, and we are so sad today as we mourn his loss.

As we mourn the loss of Officer Arkell, I am reminded of a quote that can be found at the Law Enforcement Officers Memorial in Washington. The quote really sums it up: ''It is not how these officers died that made them heroes, it is how they lived.'' That is certainly true of Officer Stephen Arkell. He was a special man who gave generously to his family, his friends, and his community. It is a tragedy that he was taken from us far too soon. This is a tragedy no family should have to endure.

As we mourn his loss, we will pledge to forever honor his memory, his sacrifice, and the work he did every single day on behalf of the people of Brentwood and New Hampshire to keep us safe. We are grateful for his sacrifice. We can never repay the loss his family has endured nor can we ever repay the sacrifices that are our police officers make every single day on our behalf to keep this country safe.

I thank the Presiding Officer 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. MURRAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mrs. MURRAY. Mr. President, I ask unanimous consent to speak as in morning business.

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

SQUARELY FOCUSED

Mrs. MURRAY. Mr. President, one would think, now more than ever, our colleagues on the other side of the aisle would recognize the American people really want us focused squarely on jobs and the economy. It is what every poll says. It is what the vast majority of all of our constituents say, and it is absolutely what is needed at a time when families, especially working women, continue to struggle to make ends meet. But instead of working with us across the aisle to give every American a fair shot, it seems as though Republicans are focused on something else entirely: Politics.

Today, the senior Senator from South Carolina came to the floor and attempted to pass a bill that not only undermines women's access to their doctors but restricts their rights to access reproductive health services. I am not sure what our colleagues think has changed since they last introduced this bill in November, but just as it was back then, this extreme, unconstitutional abortion ban is an absolute nonstarter. It is not going anywhere in the Senate and, as they know, it is a cheap political ploy. I would like to think that over the last 41 years, since the historic decision of Roe v. Wade, we have moved on from debating this issue. I would like to think that after four decades, many of those who want to make women's health care decisions for them have come to grips with the fact that Roe v. Wade is settled law. After all, many of the signs of progress are all around us.

In this Congress there is a record 20 women serving in this body. In 2012 women's power and voice at the ballot box was heard pretty loudly and clearly. In fact, when Republican candidates for office thought that rape was a political talking point, that idea and their candidacies were swiftly rejected, thanks in large part to the voices of women.

So sometimes it is tempting to think that times indeed have changed and that maybe, just maybe, politicians have finally realized that getting between a woman and her doctor is not their job, that it is possible rightwing legislators have a newfound respect for women. But the truth is that the drumbeat of politically-driven, extreme, and unconstitutional laws continues to get louder.

In 2013 our Nation saw yet another record-breaking year of State legislatures passing restrictive legislation barring women's access to abortion services. In fact, in the past 3 years, more of these restrictions have been enacted across this country than in the previous 10 years combined. And anti-choice lawmakers here in our Nation's capital have filed 50 legislative attacks on reproductive rights in this Congress alone.

By the way, these haven't just been attacks on a woman's right to choose, they have been an all-out assault on everything from shaming pregnant women to drafting politically-driven legislation intended to create geographical roadblocks for low-income and racial minorities wishing to access safe reproductive services.

Not surprisingly, these States that have enacted some of the most extreme and archaic restrictions are also the same States that fail to achieve even mediocre standards when it comes to critical issues such as education and the economy. But despite these shortcomings, some Members of this body refuse to work with us to address those critical issues and instead want to distract the American public with these purely political bills until the small pocket of their extreme audience is satisfied.

In fact, according to the Senator from South Carolina, debating a woman's access to her own doctor is a ''debate worthy of a great democracy.'' The fact is it is a debate we have already had. This is a directed attack on Roe v. Wade, and it is attack on what is already settled law.

I wish to remind my colleagues today that real women's lives and the most difficult health care decisions they could ever possibly make are at stake.

Let me share with my colleagues the story of Judy Nicastro. She is from my home State of Washington. She bravely shared her story publicly in the New York Times. I have told her story before, but it bears repeating now because we are under attack again. In an op-ed she wrote, just days before the House passed a bill that was virtually identical to the one that was introduced today, Judy talked about being faced with every pregnant woman's worst nightmare.

In describing the news that one of the twins she was carrying was facing a condition where only one lung chamber had formed and that it was only 20 percent complete, Judy captured the anguish countless other women in similar positions have faced. ''My world stopped,'' she wrote.

> I loved being pregnant with twins and trying to figure out which one was where in my uterus. Sometimes it felt like a party in there, with eight limbs moving. The thought of losing one child was unbearable.

She went on to say:

> The MRI at Seattle Children's Hospital confirmed our worst fears: The organs were pushed up into our boy's chest and not developing properly. We were in the 22nd week.

Under the bill proposed today, the decision Judy ultimately made, through very painful conversations with her family and with consultation with her

doctors, would be illegal. The decision to make sure, as she put it, that ''our son was not born only to suffer'' would be taken from her and given to politicians.

I am here today to provide a simple reality check. We are not going back. We are not going back on settled law such as Roe v. Wade or the Affordable Care Act. We are not going to take away a woman's ability to make her own decisions about her own health care and her own body.

Just as with the many attempts before this bill, there are those who would like the American public to believe that all of these efforts are anything but an attack on women's health care. They try to say it is a debate about freedom, except, of course, the freedom for women to access care.

It is no different than when we were told attacks on abortion rights are not an infringement on a woman's right to choose; they are about religion or States rights. Or when we are told that restricting emergency contraception isn't about limiting women's ability to make their own family planning decisions, but it is somehow about protecting pharmacists. Or as demonstrated last month when a Republican State lawmaker in Missouri introduced legislation to triple the State's mandatory waiting period for abortion services, claiming it would give women more time to do their ''research.''

Not that we should be surprised, he went on then to compare this deeply personal and difficult choice to that of purchasing an automobile saying: ''In making a decision to buy a car, I put research in there to find out what to do.''

The truth is this is an attempt to limit a woman's ability to access care. This is about women. Instead of playing a game of political football with women and their health, Republicans should instead consider joining with us in working on what women truly want.

Women today want to have a fair shot at success. First and foremost, that means not rolling back the clock or eroding the gains we have made. We took a very good step forward with the Affordable Care Act, which now prevents insurance companies from charging women more than men for coverage, ensuring preventive services such as mammograms and contraception coverage is covered and increasing access to comprehensive health coverage, thanks to the Medicaid expansion and the exchanges. There is no doubt we need to make sure women have access in this country to opportunities such as getting equal pay for equal work or giving the millions of women earning the minimum wage a raise, which would go a long way towards that effort. We need to update our Tax Code so that mothers who are returning to the workforce do not face a marriage penalty.

There is much more we could be doing to address the issues of concerned women. Those are the issues we ought to be focused on—how to move our country forward, not backward.

So if it wasn't clear the last time the senior Senator from South Carolina made this attempt, it ought to be clear now. Senators such as myself are not going anywhere. Advocates and doctors who treat those women every day and know their health must be protected are not going anywhere. And women who continue to believe their health care decisions are theirs and theirs alone are not going to go anywhere. By the way, the Constitution is not going to go anywhere. Therefore, this extreme bill that was offered today is not going anywhere.

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

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

The Senator from West Virginia.

BOONE COUNTY MINE TRAGEDY

Mr. MANCHIN. Mr. President, on Monday night a tragic mining incident occurred in my home State of West Virginia where the lives of two dedicated and courageous miners were lost at the Brody No. 1 mine in Boone County.

My greatest and deepest thoughts and prayers are with the loved ones of the miners impacted by this tragedy. Gayle and I join them and all West Virginians in mourning the loss of these heroic men. We grieve for the entire community as they bear this most heartbreaking and sorrowful hardship.

Our hearts especially go out to the families of the following miners: Eric Legg of Twilight and Gary Hensley of Chapmanville.

These men will be remembered forever as heroes to their community, their State, and their Nation for their unparalleled courage and unsurpassable sacrifice. They will live on forever in our hearts.

As families and friends struggle to deal with the tragedy that took place, we are reminded as a country that we must consistently search for ways to improve safety conditions because our miners' safety is of the utmost importance and remains our No. 1 priority. We say in West Virginia: If it can't be mined safely, don't mine it.

Our coal miners are some of the hardest working people in America, and the loss of even one miner's life is one life too many. We need to continue to improve mine safety efforts so that our miners' lives are never in jeopardy. We owe this to the families of the victims and to all of our loyal mining families across our country. It is our responsibility to be absolutely and totally committed to the safety of every worker, which means that every worker should be able to get up in the morning and expect to come home safely to their loved ones at night. This is their right, not a privilege.

My staff and I will do everything humanly possible to assist the families through this difficult time. Again, we extend our deepest sympathy and most profound condolences to the families and loved ones, and we pray for their peace and comfort.

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

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

SMARTER SENTENCING ACT

Mr. GRASSLEY. Mr. President, there are new reports that the majority leader is considering bringing to the floor the so-called Smarter Sentencing Act, and to bring it to finality.

I rise again today to express my strong opposition to this bill and to argue against taking up the Senate's time to consider it. I will list several reasons.

This country has experienced a tremendous drop in crime over the past 30 years. We have achieved hard-won gains in reducing victimization. More effective police tactics played a very significant role.

Congress assisted with funds for law enforcement and mandatory sentencing guidelines to make dangerous offenders serve longer sentences. But after the Supreme Court applied novel constitutional theory, those mandatory guidelines were made advisory only. Federal judges then used their discretion to sentence defendants more leniently than the guidelines had called for.

Today, the only tool Congress has to make sure Federal judges do not abuse their discretion in sentencing too leniently is mandatory minimum sentences. So bringing this bill would cut a wide range of mandatory minimum sentences by half or more. Those sentences include people convicted of manufacture, sale, possession with intent to distribute, and importation of a wide range of drugs, including heroin, cocaine, PCP, LSD, ecstasy, and methamphetamines.

When supporters of this bill discuss how it increases discretion for judges and keeps current maximum sentences, what they really mean is that judges will gain discretion only to be more lenient. The bill does not increase discretion for judges to be more punitive.

When supporters of this bill say that the bill only applies to nonviolent offenders, don't be misled into thinking it applies to people in Federal prison for simple possession of marijuana. It doesn't. The offenses covered in this bill are violent.

Importing cocaine is violent. The whole operation turns on violence.

Dealing heroin also involves violence or threats of violence, and the offense for which the offender is sentenced may have even been violent. The defendant's codefendant might have used a gun.

While the bill does not apply to a drug crime for which the defendant used violence, it does apply to criminals where the defendant has a history of committing violent crimes. Supporters have failed to recognize that it would apply to drug dealers with a history of violent crimes.

Supporters of the bill also raise the argument of prison overcrowding. But prison populations in this country are decreasing and have been in fact decreasing for several years. States have been able to reduce prison construction and sentencing as crime has thus fallen.

Charles Lane wrote in the Washington Post that one reason States could do this is the reduction in the fear of crime that has accompanied falling crime rates.

The rate of increase in Federal prison populations has fallen a great deal. In recent years, the number of new Federal prisoners receiving prison sentences has declined. New policies the Department has adopted with respect to clemency and its unwillingness to charge defendants for the crimes they have committed will only further reduce overcrowding and prison expenses.

It is also important to recognize that drug offenders are an increasingly small proportion of the new offenders who are being sentenced to Federal prison as Federal law enforcement shifts more resources away from drugs and toward immigration and weapons offenses.

The reduction in prison populations is not really so much about the cost saving as cost shifting from prison budgets to victim suffering. This is happening as the number of State and Federal prisoners has dropped.

In 2012, the last year for which statistics are available, the FBI's Uniform Crime Report recorded an increase in the number of violent crimes for the first time in many years. Now, it is only 1 year and the increase was less than 1 percent, but it represents a dramatic change in the past downward trend of crime, and it bears a vigilant watch, not support for a reckless, wholesale, and arbitrary reduction in mandatory minimum sentences.

The bill represents a particularly misguided effort in light of current conditions concerning drug use. We are in the midst of a heroin epidemic right now. Deaths from heroin overdoses in Pennsylvania are way up. The Governor of Vermont devoted the entirety of his State of the State address this year to the heroin problem.

Marijuana decriminalization is leading to the greater availability of marijuana at a lower price. This is causing Mexican growers who formerly produced marijuana to grow opium for heroin importation into this country instead of marijuana.

The Obama administration says it is concerned about the heroin epidemic, but it supports a bill that cuts penalties for heroin importation and dealing.

The administration says it wants to fight sexual assaults on campuses—and I think that is the right thing to do and I applaud them for doing that. But they are also supporting this bill, which cuts in half the mandatory minimum sentence for dealing in ecstasy, the ''date rape'' drug.

The administration's support for this bill, then, makes no sense, and at least some administration officials understand that.

We had the privilege of having the Director of the Drug Enforcement Agency before our committee a little while ago. Michelle Leonhart said:

> Having been in law enforcement as an agent for 33 years, [and] a Baltimore City police officer before that, I can tell you that for me and for the agents that work for DEA, mandatory minimums have been very important to our investigations. . . . We depend on those as a way to ensure that the right sentences are going to the . . . level of violator we are going after.

Current mandatory minimum sentences play a vital role in reducing crime. They do more than keep serious offenders in jail so that they cannot prey upon innocent citizens. They also induce lower-level drug offenders to avoid receiving mandatory minimum sentences by implicating higher-ups in the drug trade.

As FBI Director Comey recently stated:

> I know from my experience . . . that the mandatory minimums are an important tool in developing cooperators.

Recently, a bipartisan group of former Justice Department officials wrote to Leaders REID and MCCONNELL. Their letter expressed strong opposition to cutting mandatory minimums for drug trafficking by half or more. They warned:

> We are deeply concerned about the impact of sentencing reductions of this magnitude on public safety.
>
> We believe the American people will be ill-served by the significant reduction of sentences for federal drug trafficking crimes that involve the sale and distribution of dangerous drugs like heroin, methamphetamines, and PCP.
>
> We are aware of little public support for lowering the minimum required sentences for these extremely dangerous and sometimes lethal drugs.

We are all going to be supporting National Police Week. Officers from all over the country have traveled to Washington to make their concerns known. We salute them for the work that they do and the dangers they face. If we really respect these law enforcement people and want to support them, then we ought to listen to what they have to say.

The National Narcotics Officers' Association has written:

> As the men and women in law enforcement who confront considerable risks daily to stand between poisoned sellers and their victims, we cannot find a single good reason to weaken federal consequences for the worst offenders who are directly responsible for an egregious amount of political despair, community decay, family destruction, and the expenditure of vast amounts of taxpayer dollars to clean up the messes they create.

The Federal Law Enforcement Officers' Association has also come out against the bill. They have stated:

> It is with great concern that FLEOA views any action or attempt . . . that would alter or eliminate the current federal sentencing policy regarding mandatory minimum sentence sentencing.
>
> The mandatory minimum sentencing standard currently in place is essential to public safety and that of our membership.

Many of us will rightfully praise our law enforcement officers as they are in town for National Police Week. But what we really ought to do is listen to them. They are telling us that taking up this bill would be a slap in the face of all our brave police officers who protect us from harm every day. They deserve better than that.

Citizens who are finally less likely to become crime victims deserve it. The respect that is due those on the front line against wrongdoers demands that the Senate neither take up nor pass the mislabeled so-called Smarter Sentencing Act.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(Disturbance in the Visitors' Galleries.)

The PRESIDING OFFICER. The Sergeant at Arms will restore order in the gallery.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. CHAMBLISS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded and I be allowed to speak as if in morning business.

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

(The remarks of Mr. CHAMBLISS pertaining to the introduction of S. 2330 are printed in today's RECORD under ''Statements on Senate Bills and Joint Resolutions.'')

Mr. CHAMBLISS. Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

TIME TO WAKE UP

Mr. WHITEHOUSE. Mr. President, I am here for the 67th time to urge my colleagues to wake up to the growing threat of climate change, and today I am joined by my friend and colleague Senator NELSON of Florida, who is a true leader in this fight.

Mr. President, I ask unanimous consent that we be able to engage in a colloquy for the next 25 minutes.

The PRESIDING OFFICER. Without objection.

Mr. WHITEHOUSE. Florida is about 1,000 miles from Rhode Island, and it is slightly larger than my home State, but Florida and Rhode Island have a great deal in common, such as a beautiful coastline, an economy and a way

of life that is tied to the sea, and as a result risk from the ocean in a changing climate.

On my recent trip down the southeast coast, I spent 2 days in Florida and heard firsthand about the unprecedented changes taking place there. Like the folks I met in North Carolina, South Carolina, and Georgia, Floridians are worried about the coastal communities they love. They are getting serious about protecting their homes and their livelihoods, and they want their representatives in Congress to get serious.

Senator NELSON hears them. He recently took the Senate commerce committee to the Miami Beach townhall to examine the dangers posed by rising seas. Here is what the Miami Herald said about his effort:

South Florida owes Senator Nelson its thanks for shining a bright light on this issue. Everyone from local residents to elected officials should follow his lead, turning awareness of this major environmental issue into action. It is critical to saving our region.

Senator NELSON and I also held a press conference at Jacksonville's Friendship Fountain with Representative CORRINE BROWN to highlight these serious implications of climate change. So I am grateful for Senator NELSON's bringing his passion and expertise to the floor today.

Mr. NELSON. Mr. President, I thank my dear personal friend the Senator from Rhode Island for his kind comments, but I especially thank him for his passion and his leadership on this issue. There are parts of America where it is time to wake up, and especially one part of that is the State of Florida.

Because of the nature of our State being a peninsula that sticks down into water surrounding it on most sides, you would not be surprised that we have by far the longest coastline of any State, save for Alaska.

When it comes to beaches, the State of Florida by far has more beaches than any other State, but because we have so much exposure to the oceans—the Atlantic on the east and the Gulf of Mexico on the west—we are particularly subject to climate change and the fact that the Earth is heating up.

Why is the Earth heating up? Well, there is the effect known as the greenhouse effect. If you put certain gasses into the atmosphere that are a result of manmade efforts—when we burn things such as oil and coal and we don't scrub out a lot of the stuff, it goes into the atmosphere. Well, one of the things that goes into the atmosphere is carbon dioxide. What carbon dioxide does is go into the upper atmosphere and it forms this greenhouse effect by creating an invisible shield, and when the Sun's rays come and strike the Earth at daylight, those rays then reflect off the Earth's surface. Under normal circumstances, those rays bounce back out and radiate back into space but not if you have a lot of gasses up at the very beginning of space, at the top of the atmosphere, such as carbon dioxide.

When the Earth's surface radiates the Sun's heat, it goes back up as if it wants to go out into space, and it is trapped. What happens is the entire atmosphere of the Earth then contains that heat, and slowly over time it builds up the temperature.

When you look at a globe, what do you mostly see? You don't see land; you see water. So what happens is that most of that heating of the Earth's atmosphere is absorbed into the temperature of the ocean. Because of the rise of the ocean temperature and the temperature of the air, what starts to happen? What is happening up toward the northern climes as well as the southern climes? Have you heard the report that came out a couple of days ago about how big chunks of Antarctica are now falling off? Have you heard about how all of the glaciers on top of Greenland, which used to be nothing but one big glacier, are now falling off into the sea, thus causing the sea rise?

I will flip it back to the Senator from Rhode Island with this comment: In the hearing we had of the commerce subcommittee in Miami Beach—why did I choose Miami Beach? Because it is ground zero. At high tide they are already having flooding in the streets of Miami Beach. At a seasonally high tide that they expect coming up in October of this year, they expect constant flooding. As a result, we had the mayor of Miami Beach tell us about the effort of them trying to redo the infrastructure to get rid of the water when the high tides come in.

We also had a scientist at NASA testify. He is a fellow who is a four-time space flier. He left the astronaut office, and now he is back at the Goddard Space Flight Center in Maryland. He is a scientist. What he testified to us was not a forecast, not a projection; he testified as to the measurements of sea level rise over the last 50 years. And for Florida, the sea level rise, as measured by NASA—these are indisputable measurements—is 5 to 8 inches. In another 20 to 30 years, he projects that the sea level rise will be a foot, 12 inches more, and by the end of the decade, it will rise 2 to 3 feet.

I hasten to add that 75 percent of Florida's population of 20 million people lives on the coast. Can you imagine what a 2- to 3-foot sea level rise on Florida would be? It would inundate unbelievable amounts of the urban community of our State of Florida. So the question is, Are we going to do something about it?

I will flip it back to the Senator from Rhode Island.

Mr. WHITEHOUSE. On my trip through Senator NELSON's State, the Army Corps of Engineers officials in Jacksonville gave me some pretty dire warnings about what the sea level rise portends for Florida, both the punch from storms that will bring the higher seas ashore and the steady encroachment of saltwater.

This is a scene from western Boynton Beach after Tropical Storm Isaac in 2012. I don't know if you can see it on the screen, but this sign says ''no wake zone.'' The family put up a ''no wake zone'' sign in their front yard because the cars going by would cause wakes and more damage.

The Corps also showed me what 2 feet of sea level rise would do to the Everglades National Park. I went down to the Everglades later on during my visit. This is what it would look like. You can see the green in the Everglades here and all the development up here. Basically, if you add 60 centimeters of sea level rise, or 2 feet, and that is all ocean again, that is a pretty serious change.

The Southeast Florida Regional Compact, which is a bipartisan coalition of four South Florida counties, predicts that the water around southeast Florida could surge up to 2 feet in less than 50 years.

So that is a preview of the coming attractions ''Everglades Under Water.''

What was interesting was that the local officials, both Republicans and Democrats, were working together. The division that exists in this body doesn't exist down there. Mayor Silva Murphy of Monroe County is a Republican and former Mayor Kristin Jacobs of Broward County is a Democrat. They both know that flooding and access to drinking water are not partisan issues in the way that it divides us here.

Here are a couple more examples from my visit. This is Castillo San Marcos, which Senator NELSON will recognize as being in St. Augustine. It is a famous and very beautiful ancient fort. It sits along the water there. If you add 3 feet of sea level rise, it turns from being part of the coast to being its own tiny little peninsula surrounded by flooding. It is the oldest masonry fort in the United States.

This is what Fort Matanzas would look like. This is a little fort built by Spanish colonists in 1742. It is right here on this inlet. If you add 3 feet of sea level rise, suddenly it is in the water. It has nothing to stand on. As it is, they have built a wall to protect it from the sea level rise that has already happened, and from time to time the high tides lap over that wall.

The Senator said there is the potential for an enormous amount of harm here that could happen to people. One of the scientists I met in Florida said that if we don't do something about this, ''people are going to get hurt and it's going to cost a lot of money.'' That is true.

One topic I would like to discuss is how the seawater will affect the freshwater supply of Florida. Senator NELSON is an expert on the geology of Florida and why it is different from my rocky New England coast.

I will yield back to Senator NELSON so he can discuss the limestone bedrock problem.

Mr. NELSON. Mr. President, one would naturally ask the question,

could we solve this problem in the United States the way the Dutch have solved a lot of the coastal areas of the Netherlands by building dikes? A lot of their land is actually below sea level.

You can't do that in a place such as Florida because the substrate underneath the surface soil is a porous limestone, much like Swiss cheese. So that if you try to put up a dike, it is not going to hold any water back because the pressure of the water as it rises is merely going to go underneath the dike into the porous limestone, which is the source under the surface of a lot of Florida's drinking water because that water in that honeycomb limestone is fresh.

What happens as a result of the sea level rise? More water and higher water will create more pressure. The pressure then starts to push underneath the surface as well as over the surface of the land, and that causes the intrusion of saltwater into the fresh drinking water.

Because Florida is so low—believe it or not, our highest point is right near the Alabama-Florida line, which is actually 356 feet high. But when you get into portions of South Florida, it is very low. Obviously, sea level rise is going to cover a lot of land, but another consequence is that a lot of flood control is now regulated by gravity. You go from a higher position of flood and you flow by gravity through canals to a lower position of the sea level. When the sea level rises, the water during floods—hurricane, rainstorm, whatever—can't flow. The only way to correct that is to install very expensive pumping equipment.

Finally, in this segment of the exchange with the Senator from Rhode Island, I ask what is another consequence of the temperature of the ocean's rising? Remember the greenhouse effect? Most of that heat is absorbed in the oceans.

What is the fuel for a hurricane in the Northern Hemisphere? What is the fuel for it? It is the temperature of the water. Hurricanes in the Northern Hemisphere go counterclockwise. Hurricanes in the Southern Hemisphere go clockwise. What happens to the intensity of the hurricane? It goes up as the waters get hotter. That is why usually, as the hurricanes are forming into these massive storms over the South Atlantic and the Caribbean, they start going north. They start to dissipate because the waters are cooler. It doesn't provide the fuel for the ferocity of the hurricane. Likewise, higher water temperatures, more frequency of hurricanes.

In our State, we live on a peninsula that sticks down into the middle of ''Hurricane Highway.'' It is a way of life. We understand that, and we have handled it pretty well, especially after the disaster of 1992, the monster hurricane, Hurricane Andrew. Our building codes are up and so forth, but we can't withstand a lot of Hurricane Andrews. Part of that hurricane was considered to be a category 5—something in excess of 160 mile-per-hour winds. We know what 160 mile-an-hour tornadoes do within a small, confined, tight-knit cyclone-type activity. Imagine what those wind speeds do in a massive hurricane covering hundreds of miles.

We start to see then the effects. The insurance industry cannot withstand insuring structures that are going to sustain that kind of damage. What is going to happen to the cost of insurance? It is going to go through the roof. What is going to happen to the cost of flood insurance? In the Senate, we agonized over the Federal Flood Insurance Program—what is going to happen to the actual structures and the people who not only are subject to being flooded because of the rise of sea level but of having their whole dwellings and city torn up, as Hurricane Andrew did to downtown Homestead, a relatively small population of Florida and it absolutely tore it up. That is what we are facing unless we do something about climate change.

The first thing we have to do is we have to stop this denial that this is not real. The scientists are telling us it is real. The NASA astronaut scientists say it is measurements. They have flooding in Miami Beach. The local governments have banded together in southeastern Florida to try to get ahead of it.

Why can't we get some of the Senators here, who because it is not politically correct in their politics, to recognize what the truth is so we can start planning for this—not as a protection but to plan for the protection of planet Earth, and see if we can stop some of the causes of the climate change. Then, once we do it in the Nation that stands as the role model to the rest of the countries, we are going to have to get them to do it too; otherwise, we are going to see what has just happened over the last couple of days: Large chunks of Antarctica are beyond saving, and the consequences are grave.

I appreciate the leadership of my friend from Rhode Island and Senator BOXER of California. They have been the ones who have been at the point of the spear. I thank them very much.

Mr. WHITEHOUSE. Mr. President, it is a pleasure to be here with the Senator from Florida, and his leadership is truly remarkable.

Here is another example on this picture from my tour. This is Broward County. People say it is not real. Ask the owner of this house with the for sale sign. Good luck selling that house with the ocean running through it. That was in 2010.

Another Broward County photograph. Commissioner Kristin Jacobs, who was the mayor at that time, gave me these pictures. Again, this is tide. Look at the sky. It is a beautiful day. This isn't rain. This is the tide flooding in, showing what it does to the cars. It is a mess.

As Senator NELSON described, because Florida is this limestone, kind of hard sponge, what keeps the saltwater out is the pressure of the freshwater holding it at bay. There is no wall. There is no structure that keeps the water, salt, and fresh balance. It is a hydraulic system. They have built a very complex system of canals, where they have raised the water so they have pressure, so they can push it back. As the sea level comes up, they are losing that fight. So here is a line through Broward County of how far the saltwater has already intruded into the water supply. If we drilled wells on this side of the red line, the water is no good, and all of these wells, the little green spots, all of these water areas are in the way because this line is moving.

As one Army Corps engineer in Jacksonville said, Florida is in a box, because as the sea level rises, the way we keep the freshwater available to people is by raising the fresh water, and that keeps what the engineers call the hydraulic head that pushes the sea water back and allows us to maintain freshwater for drinking water purposes, for agriculture, for Florida oranges and grapefruits and all the things we count on. If what we are worried about is flooding, we could only raise the freshwater so far, because if we raise it enough, we have freshwater flooding. There is no way out of that conundrum. There is no way out of that conundrum in Florida. He said, whether it happens in 100 years or whether it happens after the next bad hurricane, that is what is going to happen. That is a terrible predicament. It is not going to get better by pretending it is not real. It is not going to get better by denying it.

If we go offshore, we get to the problem of acidification, which happens from the carbon. This is not a theory. People say climate change is a theory. No. The acidification of the ocean from the type of carbon dioxide is something we can do in a lab. It is a scientific fact. It is a law of chemistry. So it happens, and it is starting to hit the reefs and the fisheries as the ocean warms and turns more acid.

Mayor Murphy is the mayor of Monroe County. I met her in Key Largo, which is one of the famous world destinations. I said: What is the acidification of the warm air? What does that do to your reefs?

She said: Well, the reefs are still beautiful unless you had been out to see them 10, 15 years ago. The reefs are still beautiful unless you had been out to see them 10 or 15 years ago. People see the change.

I met with the Snook and Gamefish Foundation in Florida and the marine industry folks, and they are concerned about what is happening there. In fact, the problem goes all the way up the coast. When I came down from North Carolina and South Carolina, the fishermen there told me they are starting to catch snook off the Carolinas. It is one thing when we are catching grouper and tarpon up in Rhode Island, but what they are seeing on the South Atlantic coast is the same thing that a

Rhode Islander fisherman said to me about the fishing off our coast. He said: It is getting weird out there. We are catching fish our fathers never saw in their nets in their lives. So when a snook comes up on the line off the Carolinas, that is a sign that something is dramatically changing, and these reefs are changing as well.

Last story: Mike Shirley works at the Guana Tolomato Matanzas National Estuarine Research Reserve on the south side of St. Augustine. He moved up there from South Florida. He moved there 7 years ago. When he got there, he said there was one thing noticeable: There were no mangroves. South Florida is covered in mangroves, but there weren't any here. Now, 7 years later, the place is covered in mangroves. All that habitat migrating northward as the oceans and the water warms and it is changing things.

He said one other thing. He said: Do you know what we ought to look out for? There is going to be another migration north. It is going to be the people leaving flooded South Florida who can't get freshwater, whose homes are flooded, who can't deal with their car going hubcap deep in saltwater every high tide. They are going to be moving up. It is not just the people from the cold North coming to Florida now, it is people coming from the flooding South who are going to be coming North again.

I will say one last thing. The mayors were terrific. Sylvia Murphy, the mayor of Monroe County, is putting climate and energy policy at the very forefront of her 20-year growth plan for the county. Mayor Philip Levine of Miami Beach is hard at work. He says:

Sea-level rise is our reality in Miami Beach. We are past the point of debating the existence of climate change. We are now focusing on adapting to current and future threats.

Mayor Levine is pushing a $400 million plan to try to make the city's drainage system more resilient in the face of rising tides.

From Mayor Joe Riley in Charleston to Mayor Edna Jackson in Savannah, to Mayor Alvin Brown in Jacksonville, to the mayors in South Florida I mentioned, council members, mayors from Pinecrest, South Miami, Surfside, Miami Shores, Cutler Bay, Palmetto Bay, the Seminole Tribe, the local officials, they are all serious about tackling climate change. It is real. They see it in their neighborhoods. They see it in their districts. They see it in their towns. They are away from this poisonous place where the polluters control what people are allowed to think and see and do something about.

We have to start listening to the American people. We have to start listening to the mayors who inhabit real life and not the political fantasy in this Senate. We have to start dealing with this.

Lee Thomas worked for President Ronald Reagan. He was a member of the Reagan Cabinet. He ran the Environmental Protection Agency for Ronald Reagan. Last week he wrote an oped—and I know the Senator from Florida saw it—in the Tampa Bay Times urging Florida's leaders to wake up to the changes taking place in the Sunshine State. Here is what he said: ''Whether Democrat or Republican, Florida residents cannot afford to ignore the evidence of climate change.'' That is a Reagan official saying those words.

Come on, Republican mayors, Reagan officials. At some point we have to wake up. This is real.

Just last year, Thomas joined all the other former Republican EPA heads—four of them—and they wrote this:

The costs of inaction are undeniable. The lines of scientific evidence grow only stronger and more numerous, and the window of time remaining to act is growing smaller: delay could mean that warming becomes locked in. A market-based approach, like a carbon tax, would be the best path to reducing greenhouse gas emissions.

Bob Samuelson just said the same thing in his editorial over the weekend.

I will say that the citizens of Florida and the people of the United States are very fortunate to have a Senator such as BILL NELSON, who is aware of this problem, who is fighting hard to solve it, who is listening to his mayors, Republican and Democratic alike, who are telling him what is happening in their home State, and who was willing to bring the Commerce Committee of the U.S. Senate down to a Miami Beach townhall to make sure everybody understands what is going on. He helped bring that message back to Washington and it was a terrific thing.

So we will continue working together to get this body to wake up out of its polluter-induced slumber and face the realities that people all across this country are seeing in their daily lives. It is indeed time to wake up.

I yield the floor for any final comments the Senator from Florida may wish to make.

Mr. NELSON. Mr. President, the Senator from Rhode Island has stated in one of the more eloquent fashions details about my State of Florida because he was so passionate about the subject and so unselfish that he wanted to start in other States—North Carolina, South Carolina, Georgia—and several places on the east coast of Florida. It is extraordinary.

I will leave you with this thought: Every time I hear a Senator such as Senator WHITEHOUSE speak about this subject, and every time I look at a picture of the planet as he has on the poster that says ''Time To Wake Up,'' my mind's eye goes back 28 years ago to the window of our spacecraft on the 24th flight of the space shuttle 203 nautical miles above the Earth, circumnavigating the Earth at 17,500 miles an hour, with a complete revolution of the Earth in 90 minutes.

You look back at our planet—which is so beautiful, so colorful, so alive, so creative—and yet when you look at the rim of the Earth, as it falls off into the deep blackness of space, there is a thin, little blue band, and upon closer examination out the window, you can actually see the thin film of what sustains all of our life, the atmosphere.

Then, with the naked eye, you can see points on the Earth where we are messing it up. You can see the color contrast of the destruction of the trees in the Amazon, upriver in the Amazon. You can see the result of cutting down all the trees on an island nation such as Madagascar, which fortunately has started planting trees in the last quarter century. Therefore, the result of that tree cutting, in this hemisphere as well, in the island nation of Haiti, is that when the rains come, there are no trees to hold the topsoil and it all flows down the rivers and out the mouths of the rivers and you can see it from space in the discoloration of the water. That is for miles and miles out into the brilliant blues of the ocean.

If we do not do what people like Senators BOXER and WHITEHOUSE are saying and wake up to the reality of climate change and try to get ahead of it by changing policies that will stop the greenhouse effect or at least slow it down, then what we are going to have for future space fliers is that they are going to look back at the planet and the coastline of those States Senator WHITEHOUSE visited—all being in the Southeastern United States—that coastline is not going to look the same. It is not going to be as distinct a coastline, with a white beach along it that outlines it from the blue waters of the Atlantic. It is going to be much different and to the great detriment of the people who live there and call that home.

I yield the floor.

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

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

ORDER OF PROCEDURE

Mr. REID. Mr. President, I ask unanimous consent that notwithstanding rule XXII, tomorrow, Wednesday, May 14, 2014, at 11:15 a.m., the Senate proceed to vote on cloture on Calendar No. 664, Logan; Calendar No. 665, Tuchi; Calendar No. 666, Humetewa; then proceed to consideration and vote on confirmation of Calendar No. 650, Williams, and Calendar No. 539, Moreno; further, that if cloture is invoked on Calendar Nos. 664, 665 or 666, the time until 5:15 p.m. be equally divided between the two leaders or their designees and at 5:15 p.m. the Senate proceed to vote on confirmation of the nominations in the order listed; further, that there be 2 minutes for debate prior to each vote, equally divided in the usual form; that any rollcall votes

following the first in each series be 10 minutes in length; further, that if confirmed, the motions to reconsider be considered made and laid upon the table, with no intervening action or debate; that no further motions be in order to the nominations; that any statements related to the nominations be printed in the RECORD; that the President be immediately notified of the Senate's action and the Senate then resume legislative session and proceed to vote on the motion to proceed to H.R. 3474.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators allowed to speak for up to 10 minutes each.

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

150TH ANNIVERSARY OF THE VILLAGE OF RAMSEY

Mr. DURBIN. Mr. President, 150 years ago—on May 4, 1864, to be exact—the Village of Ramsey, IL, was incorporated. The village was named after an early settler named William Ramsey, who built his home on what is now known as Ramsey Creek.

Ramsey was just getting started when Abraham Lincoln was traveling from his home in Springfield to Vandalia, which was then the State Capital where Lincoln was a member of the Illinois House of Representatives. The Illinois Central Railroad, completed on January 1, 1855, made Ramsey a local trading and shipping point for nearby townships.

To put the anniversary of Ramsey's incorporation in perspective, think about what the Midwest was like in 1864. The Civil War was coming to an end and a new America was being born. It was long before planes and cars—and trains were not yet common.

By 1878, the people of Ramsey could support six dry goods and grocery stores, a drug store, a hardware store, two saloons, a boot shop, a hotel, and a harness factory. It was the second largest town in Fayette County. Ramsey even had its own newspaper in the 1880s, The Ramsey Democrat. Another publication, the Ramsey News-Journal, started in 1911. It was purchased in 1912 by Julius Mueller and remained with that family for 100 years.

The first women to vote in Illinois cast their vote in Ramsey. Mrs. Athilla Stoddard was the first female in the State to vote publicly. She was 83 years old when she voted in Ramsey on July 10, 1891.

Ramsey is small—just over 1,000 people live there today—but it has its share of famous residents. Glen Hobbie, who played for both the Chicago Cubs and the St. Louis Cardinals, called Ramsey home for a time. H.L. Hunt, an oil tycoon who inspired the TV series Dallas, was from Ramsey; and so was Tex Williams, a country music singer, songwriter and actor.

One day each year, when the Lions Club hosts its annual auction, the population grows from 1,000 people to 5,000 people.

The Village of Ramsey was in my district when I was a Member of the House of Representatives. I have been to the town many times and have enjoyed its famous chicken dinners. I camped out at Ramsey Lake State Park with my kids many years before going off to Congress. Today I extend congratulations to Mayor Claude Willis, the citizens of Ramsey, and the 4,000 people who spend a day in Ramsey each year as the village celebrates its 150th anniversary.

ENERGY SAVINGS

Ms. COLLINS. Mr. President, I rise in support of the Energy Savings and Industrial Competitiveness Act, S. 2262. I am pleased to be a cosponsor of this legislation, which would build on previous energy efficiency legislation and proposes cost-effective mechanisms to support the adoption of off-the-shelf efficiency technologies for buildings, manufacturers, and the Federal Government.

As honorary vice-chair of the Alliance to Save Energy, I have been a long-time proponent of efforts to improve energy efficiency. Encouraging the adoption of energy efficiency measures is one of the easiest yet most effective mechanisms for reducing energy consumption, lessening pollution, and ultimately saving families, businesses, and the Federal Government money.

Legislation to improve the Nation's energy policy is long overdue. I would like to congratulate the bill sponsors, Senators SHAHEEN and PORTMAN, for crafting this bipartisan, commonsense bill and for their tireless efforts in working with the leadership of the Senate Energy and Natural Resources Committee to bring this bill to the Senate floor once again. This has not been an easy feat. After an earlier version of the bill was left unfinished last year, the bill sponsors did not give up and have continued to work diligently to build additional support by incorporating several previously filed amendments. While I share the general frustration expressed by some that Congress should be considering a more comprehensive energy policy, we must not use this as a reason to impede passage of this energy efficiency bill.

The provisions in S. 2262 will kickstart the use of energy efficiency technologies that are commercially available now and can be deployed by residential, commercial, and industrial energy users. The bill will also improve the energy efficiency of the Federal Government, which is the largest energy consumer in the country. Given today's challenging fiscal environment, it is notable that all authorizations included in S. 2262 are fully offset.

I am pleased to have co-authored two provisions that are incorporated into the base bill. First, I joined my colleague, the Senator from Colorado, Mr. UDALL, in authoring a provision that would provide a streamlined, coordinating structure for schools to help them better navigate existing Federal energy efficiency programs and financing options. This would be particularly helpful for rural schools in States such as Maine and would help these institutions save money in the face of rising energy costs. Decisions about how best to meet the energy needs of their schools, however, would still appropriately be made by the States, school boards, and local officials.

The second provision that I am pleased to have authored with my colleague from Rhode Island, Senator WHITEHOUSE, would authorize a pay-for-success pilot program allowing the U.S. Department of Housing and Urban Development, HUD, to enter into agreements with private investors for energy and water efficiency improvements to project-based rental assistance and housing for the elderly and disabled. This budget-neutral approach would leverage private investment to finance energy efficiency retrofits for certain HUD-assisted properties and help cut utility costs for the Federal Government.

I would have liked an open amendment process. One amendment I am pleased to have worked on with my colleagues from Delaware, Senator COONS, and Rhode Island, Senator REED, would reauthorize and extend the core Weatherization Assistance Program and State Energy Program activities at the Department of Energy through 2018, develop a competitive grant program for non-profits to carry out weatherization projects, and require minimum professional standards for weatherization contractors and workers. I am a longtime supporter of weatherization, which plays an important role in permanently reducing home energy costs for low-income families and seniors in all States, lessening our dependence on foreign oil, and training a skilled workforce. Weatherizing homes and reducing energy costs are particularly important for a State like Maine, which has the oldest housing stock in the Nation and a high dependence on home heating oil. Our amendment, had we been allowed to offer it, would have further increased the energy savings from this bill.

Nevertheless, the American Council for an Energy-Efficient Economy has released new analysis demonstrating that S. 2262 would save consumers and businesses and the government with a cumulative net savings of nearly $100 billion by 2030, support thousands of new jobs by cutting government and industrial energy waste and assisting homeowners in financing energy efficiency improvements, and reduce emissions significantly.

S. 2262 has the support of a broad coalition of stakeholders, including energy efficiency, business, and environmental organizations, small and large businesses, utilities, and public interest groups. I am pleased to be a cosponsor of S. 2262 and urge its swift passage.

REQUEST FOR CONSULTATION

Mr. COBURN. Mr. President, I ask unanimous consent that the following letter be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, May 13, 2014.

Hon. MITCH MCCONNELL,
Senate Minority Leader,
Washington, DC.

DEAR SENATOR MCCONNELL: I am requesting that I be consulted before the Senate enters into any unanimous consent agreements or time limitations regarding S. 357, National Blue Alert Act of 2013.

I support the goals of this legislation and believe suspects who seriously injure or kill federal, state or local law enforcement officers in the line of duty should be apprehended as quickly as possible. However, I believe the responsibility to address this issue, as it relates to state and local law enforcement officers, lies with the states and local communities that these brave law enforcement officers serve. Furthermore, while I do not believe this issue is the responsibility of the federal government, if Congress does act, we can and must do so in a fiscally responsible manner. My concerns are included in, but not limited to, those outlined in this letter.

While this bill is well-intentioned, according to the Congressional Budget Office (CBO), it will cost the American people $1 million dollars every year without corresponding offsets. I recognize this bill does not contain the authorization of appropriations included in prior versions of this legislation; however, establishing a new program which requires the Department of Justice (DOJ) to carry out additional responsibilities, even if implemented by existing staff, is not free of future costs, as recognized by CBO. Furthermore, there is no sunset provision contained in this legislation. Thus, once enacted, the annual $1 million price tag for this program will continue in perpetuity.

It is irresponsible for Congress to jeopardize the future standard of living of our children by borrowing from future generations. The U.S. national debt is now over $17.4 trillion. That means approximately $55,000 in debt for each man, woman and child in the United States. A year ago, the national debt was $16.7 trillion. Despite pledges to control spending, Washington adds billions to the national debt every single day. In just one year, our national debt has grown by $700 billion or 4.19%.

In addition to these fiscal concerns, there are several problems specific to this legislation. First, there is no need to establish a national Blue Alert system because many states have already developed their own Blue Alert programs for the same purposes outlined in this bill, including alerts issued for the injury or death of federal, as well as state and local law enforcement officers. In 2008, Florida and Texas were the first states to establish these programs. Seventeen additional states soon followed—Oklahoma, Maryland, Georgia, Delaware, California, Virginia, Mississippi, Tennessee, Utah, Colorado, South Carolina, Washington, Ohio, Kentucky, Indiana, Connecticut, and Illinois. The last three states to initiate a Blue Alert system did so in the 1-year period since the House passed its version of this bill in May 2012. Arizona and Kansas will likely begin their systems this summer and fall, respectively. Several state legislatures currently have legislation pending that would establish a Blue Alert system, including Minnesota, Alabama, and Missouri.

Furthermore, there is no data to support the success of the existing state Blue Alert programs. Oklahoma established its Blue Alert system in 2009, but it is not yet fully functional. The last three states to establish an alert system did so just within the last year. As a result, not only have states already established their own programs, but from the limited use of the existing systems, there is no clear evidence of a substantial need for a Blue Alert system, or of the consistent, successful apprehension of suspects as a direct result of a Blue Alert. If anything, we should wait for these programs to produce results that can be examined and determine whether this type of system is useful before instituting a federal, one-size-fits-all program.

Second, while the bill's supporters likely envision pursuing suspects who have injured or killed a law enforcement officer in a routine traffic stop or while fleeing a crime scene, for example, the bill's definition of ''law enforcement officer'' is much broader. The bill incorporates the definition in Section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968, which includes ''an individual involved in crime and juvenile delinquency control or reduction, or enforcement of the criminal laws (including juvenile delinquency), including, but not limited to, police, corrections, probation, parole, and judicial officers.'' As a result, a Blue Alert could be issued for a state court bailiff; a state parole officer, or an officer within a state's juvenile corrections facility, if injured in the line of duty.

Finally, I do not believe the federal government has the authority under the Constitution to provide federal funds to coordinate the tracking of state and local fugitives or to establish national protocols to apprehend suspects accused of injuring or killing state and local law enforcement officers. Article I, Section 8 of the Constitution enumerates the limited powers of Congress, and nowhere are we tasked with funding or becoming involved with state and local criminal issues.

There is no question those suspected of injuring or killing a state or local law enforcement officer in the line of duty should be aggressively pursued and prosecuted. However, I believe this issue is the responsibility of the states and not the federal government. Despite these Constitutional limitations, if Congress does act in this area, like most American individuals and companies must do with their own resources, we should evaluate current programs, determine any needs that may exist, and prioritize those needs for funding by cutting from the federal budget programs fraught with waste, fraud, abuse, and duplication.

Sincerely,

TOM A. COBURN, M.D.,
U.S. Senator.

TRIBUTE TO LINDA PAPP

Ms. LANDRIEU. Mr. President, it is with great pleasure that I wish to pay special tribute to an invaluable public servant, Mrs. Linda Papp. Coast Guard first lady, career educator, mother, and grandmother—Linda has tirelessly worked for more than 39 years to improve the lives of Coast Guard military families.

Linda is a native of East Lyme, CT, and is the oldest of Frank and Doris Kapral's six daughters. Her father, Frank, is a retired Coast Guard captain and fondly known throughout the service as ''Coach Kapral'' for his two decades leading the Coast Guard Academy football team. Linda holds a bachelor's and master's degree in education, and is the proud mother of three children, Lindsay, Caitlin and Jillian, and two granddaughters, Penelope and Ruby.

As the wife of the 24th Commandant, ADM Robert J. Papp, Linda serves as the Coast Guard's Ombudsman-at-Large and regularly travels to meet with Coast Guard families. She advocates on behalf of families to the First Lady of the United States, Members of Congress, Department of Defense, and other Federal, State and local leaders to improve the quality of life for thousands of servicemembers. She relentlessly focuses on improving military housing, member and family access to quality health care, and the Coast Guard's Ombudsman Program.

Of her 39 years as a military spouse, she spent 14 of those years watching six different Coast Guard cutters pull away from the pier. She understands that the strength and resilience of family members on the home front provides critical support to all of our Coast Guard men and women who stand the watch. She supports our men and women in uniform and those who keep the home fires burning and who every day face the unique challenges of a military lifestyle. They will always have a special place in her life, and in her heart.

I ask my colleagues to join me in paying special tribute to Mrs. Linda Papp. Our Coast Guard and our country are served well by honorable and giving military spouses like Linda who truly care about the health and well being of those who serve. We wish Linda, Admiral Papp, and their family all the best as we honor one of our dear friends.

ADDITIONAL STATEMENTS

O'BRIEN COUNTY, IOWA

● Mr. HARKIN. Mr. President, the strength of my State of Iowa lies in its vibrant local communities, where citizens come together to foster economic development, make smart investments to expand opportunity, and take the initiative to improve the health and well-being of residents. Over the decades, I have witnessed the growth and revitalization of so many communities across my State. And it has been deeply gratifying to see how my work in Congress has supported these local efforts.

I have always believed in accountability for public officials, and this, my final year in the Senate, is an appropriate time to give an accounting of

my work across four decades representing Iowa in Congress. I take pride in accomplishments that have been national in scope—for instance, passing the Americans with Disabilities Act and spearheading successful farm bills. But I take a very special pride in projects that have made a big difference in local communities across my State.

Today, I would like to give an accounting of my work with leaders and residents of O'Brien County to build a legacy of a stronger local economy, better schools and educational opportunities, and a healthier, safer community.

Between 2001 and 2013, the creative leadership in your community has worked with me to successfully acquire financial assistance from programs I have fought hard to support, which have provided more than $9.4 million to the local economy.

Of course my favorite memory of working together has to be our shared commitment to improving firefighter safety.

Among the highlights:

School grants: Every child in Iowa deserves to be educated in a classroom that is safe, accessible, and modern. That is why, for the past decade and a half, I have secured funding for the innovative Iowa Demonstration Construction Grant Program—better known among educators in Iowa as Harkin grants for public schools construction and renovation. Across 15 years, Harkin grants worth more than $132 million have helped school districts to fund a range of renovation and repair efforts—everything from updating fire safety systems to building new schools. In many cases, these Federal dollars have served as the needed incentive to leverage local public and private dollars, so it often has a tremendous multiplier effect within a school district. Over the years, O'Brien County has received $711,622 in Harkin grants. Similarly, schools in O'Brien County have received funds that I designated for Iowa Star Schools for technology totaling $112,952.

Agricultural and rural development: Because I grew up in a small town in rural Iowa, I have always been a loyal friend and fierce advocate for family farmers and rural communities. I have been a member of the House or Senate Agriculture Committee for 40 years—including more than 10 years as chairman of the Senate Agriculture Committee. Across the decades, I have championed farm policies for Iowans that include effective farm income protection and commodity programs; strong, progressive conservation assistance for agricultural producers; renewable energy opportunities; and robust economic development in our rural communities. Since 1991, through various programs authorized through the farm bill, O'Brien County has received more than $3.7 million from a variety of farm bill programs.

Keeping Iowa communities safe: I also firmly believe that our first responders need to be appropriately trained and equipped, able to respond to both local emergencies and to statewide challenges such as, for instance, the methamphetamine epidemic. Since 2001, O'Brien County's fire departments have received over $996,000 for firefighter safety and operations equipment.

Disability Rights: Growing up, I loved and admired my brother Frank, who was deaf. But I was deeply disturbed by the discrimination and obstacles he faced every day. That is why I have always been a passionate advocate for full equality for people with disabilities. As the primary author of the Americans with Disabilities Act, ADA, and the ADA Amendments Act, I have had four guiding goals for our fellow citizens with disabilities: equal opportunity, full participation, independent living and economic self-sufficiency. Nearly a quarter century since passage of the ADA, I see remarkable changes in communities everywhere I go in Iowa—not just in curb cuts or closed captioned television, but in the full participation of people with disabilities in our society and economy, folks who at long last have the opportunity to contribute their talents and to be fully included. These changes have increased economic opportunities for all citizens of O'Brien County, both those with and without disabilities. And they make us proud to be a part of a community and country that respects the worth and civil rights of all of our citizens.

This is at least a partial accounting of my work on behalf of Iowa, and specifically O'Brien County, during my time in Congress. In every case, this work has been about partnerships, cooperation, and empowering folks at the State and local level, including in O'Brien County, to fulfill their own dreams and initiatives. And, of course, this work is never complete. Even after I retire from the Senate, I have no intention of retiring from the fight for a better, fairer, richer Iowa. I will always be profoundly grateful for the opportunity to serve the people of Iowa as their Senator.●

PALO ALTO COUNTY, IOWA

● Mr. HARKIN. Mr. President, the strength of my State of Iowa lies in its vibrant local communities, where citizens come together to foster economic development, make smart investments to expand opportunity, and take the initiative to improve the health and well-being of residents. Over the decades, I have witnessed the growth and revitalization of so many communities across my State. And it has been deeply gratifying to see how my work in Congress has supported these local efforts.

I have always believed in accountability for public officials, and this, my final year in the Senate, is an appropriate time to give an accounting of my work across four decades representing Iowa in Congress. I take pride in accomplishments that have been national in scope—for instance, passing the Americans with Disabilities Act and spearheading successful farm bills. But I take a very special pride in projects that have made a big difference in local communities across my State.

Today, I would like to give an accounting of my work with leaders and residents of Palo Alto County to build a legacy of a stronger local economy, better schools and educational opportunities, and a healthier, safer community.

Between 2001 and 2013, the creative leadership in your community has worked with me to secure funding in Palo Alto County worth over $1 million and successfully acquired financial assistance from programs I have fought hard to support, which have provided more than $116 million to the local economy.

Of course my favorite memory of working together has to be working with the community to support the Iowa Lakes Community College. I am especially pleased with the college's work on sustainable energy.

Among the highlights:

Investing in Iowa's economic development through targeted community projects: In Northwest Iowa, we have worked together to grow the economy by making targeted investments in important economic development projects including improved roads and bridges, modernized sewer and water systems, and better housing options for residents of Palo Alto County. In many cases, I have secured Federal funding that has leveraged local investments and served as a catalyst for a whole ripple effect of positive, creative changes. For example, working with mayors, city council members, and local economic development officials in Palo Alto County, I have fought for funding for Iowa Lakes Community College projects worth over $3.7 million, helping to create jobs and expand economic opportunities.

School grants: Every child in Iowa deserves to be educated in a classroom that is safe, accessible, and modern. That is why, for the past decade and a half, I have secured funding for the innovative Iowa Demonstration Construction Grant Program—better known among educators in Iowa as Harkin grants for public schools construction and renovation. Across 15 years, Harkin grants worth more than $132 million have helped school districts to fund a range of renovation and repair efforts—everything from updating fire safety systems to building new schools. In many cases, these Federal dollars have served as the needed incentive to leverage local public and private dollars, so it often has a tremendous multiplier effect within a school district. Over the years, Palo Alto County has received $484,540 in Harkin grants. Similarly, schools in Palo Alto County have received funds

that I designated for Iowa Star Schools for technology totaling $149,500.

Agricultural and rural development: Because I grew up in a small town in rural Iowa, I have always been a loyal friend and fierce advocate for family farmers and rural communities. I have been a member of the House or Senate Agriculture Committee for 40 years—including more than 10 years as chairman of the Senate Agriculture Committee. Across the decades, I have championed farm policies for Iowans that include effective farm income protection and commodity programs; strong, progressive conservation assistance for agricultural producers; renewable energy opportunities; and robust economic development in our rural communities. Since 1991, through various programs authorized through the farm bill, Palo Alto County has received more than $5.7 million from a variety of farm bill programs.

Keeping Iowa communities safe: I also firmly believe that our first responders need to be appropriately trained and equipped, able to respond to both local emergencies and to statewide challenges such as, for instance, the methamphetamine epidemic. Since 2001, Palo Alto County's fire departments have received over $585,120 for firefighter safety and operations equipment.

Disability Rights: Growing up, I loved and admired my brother Frank, who was deaf. But I was deeply disturbed by the discrimination and obstacles he faced every day. That is why I have always been a passionate advocate for full equality for people with disabilities. As the primary author of the Americans with Disabilities Act, ADA, and the ADA Amendments Act, I have had four guiding goals for our fellow citizens with disabilities: equal opportunity, full participation, independent living and economic self-sufficiency. Nearly a quarter century since passage of the ADA, I see remarkable changes in communities everywhere I go in Iowa—not just in curb cuts or closed captioned television, but in the full participation of people with disabilities in our society and economy, folks who at long last have the opportunity to contribute their talents and to be fully included. These changes have increased economic opportunities for all citizens of Palo Alto County, both those with and without disabilities. And they make us proud to be a part of a community and country that respects the worth and civil rights of all of our citizens.

This is at least a partial accounting of my work on behalf of Iowa, and specifically Palo Alto County, during my time in Congress. In every case, this work has been about partnerships, cooperation, and empowering folks at the State and local level, including in Palo Alto County, to fulfill their own dreams and initiatives. And, of course, this work is never complete. Even after I retire from the Senate, I have no intention of retiring from the fight for a better, fairer, richer Iowa. I will always be profoundly grateful for the opportunity to serve the people of Iowa as their Senator.●

POCAHONTAS COUNTY, IOWA

● Mr. HARKIN. Mr. President, the strength of my State of Iowa lies in its vibrant local communities, where citizens come together to foster economic development, make smart investments to expand opportunity, and take the initiative to improve the health and well-being of residents. Over the decades, I have witnessed the growth and revitalization of so many communities across my State. And it has been deeply gratifying to see how my work in Congress has supported these local efforts.

I have always believed in accountability for public officials, and this, my final year in the Senate, is an appropriate time to give an accounting of my work across four decades representing Iowa in Congress. I take pride in accomplishments that have been national in scope—for instance, passing the Americans with Disabilities Act and spearheading successful farm bills. But I take a very special pride in projects that have made a big difference in local communities across my State.

Today, I would like to give an accounting of my work with leaders and residents of Pocahontas County to build a legacy of a stronger local economy, better schools and educational opportunities, and a healthier, safer community.

Between 2001 and 2013, the creative leadership in your community has worked with me to secure funding in Pocahontas County worth over $225,000 and successfully acquired financial assistance from programs I have fought hard to support, which have provided more than $5.4 million to the local economy.

Of course my favorite memory of working together has to be their tremendous use of farm bill funds that I authorized for a variety of local projects, including construction of a daycare, fire department improvements, sewer improvements, courthouse improvements, and conservation.

Among the highlights:

School grants: Every child in Iowa deserves to be educated in a classroom that is safe, accessible, and modern. That is why, for the past decade and a half, I have secured funding for the innovative Iowa Demonstration Construction Grant Program—better known among educators in Iowa as Harkin grants for public schools construction and renovation. Across 15 years, Harkin grants worth more than $132 million have helped school districts to fund a range of renovation and repair efforts—everything from updating fire safety systems to building new schools. In many cases, these Federal dollars have served as the needed incentive to leverage local public and private dollars, so it often has a tremendous multiplier effect within a school district. Over the years, Pocahontas County has received $225,000 in Harkin grants.

Agricultural and rural development: Because I grew up in a small town in rural Iowa, I have always been a loyal friend and fierce advocate for family farmers and rural communities. I have been a member of the House or Senate Agriculture Committee for 40 years—including more than 10 years as chairman of the Senate Agriculture Committee. Across the decades, I have championed farm policies for Iowans that include effective farm income protection and commodity programs; strong, progressive conservation assistance for agricultural producers; renewable energy opportunities; and robust economic development in our rural communities. Since 1991, through various programs authorized through the farm bill, Pocahontas County has received more than $3.4 million from a variety of farm bill programs.

Keeping Iowa communities safe: I also firmly believe that our first responders need to be appropriately trained and equipped, able to respond to both local emergencies and to statewide challenges such as, for instance, the methamphetamine epidemic. Since 2001, Pocahontas County's fire departments have received over $390,245 for firefighter safety and operations equipment.

Disability Rights: Growing up, I loved and admired my brother Frank, who was deaf. But I was deeply disturbed by the discrimination and obstacles he faced every day. That is why I have always been a passionate advocate for full equality for people with disabilities. As the primary author of the Americans with Disabilities Act, ADA, and the ADA Amendments Act, I have had four guiding goals for our fellow citizens with disabilities: equal opportunity, full participation, independent living and economic self-sufficiency. Nearly a quarter century since passage of the ADA, I see remarkable changes in communities everywhere I go in Iowa—not just in curb cuts or closed captioned television, but in the full participation of people with disabilities in our society and economy, folks who at long last have the opportunity to contribute their talents and to be fully included. These changes have increased economic opportunities for all citizens of Pocahontas County, both those with and without disabilities. And they make us proud to be a part of a community and country that respects the worth and civil rights of all of our citizens.

This is at least a partial accounting of my work on behalf of Iowa, and specifically Pocahontas County, during my time in Congress. In every case, this work has been about partnerships, cooperation, and empowering folks at the State and local level, including in Pocahontas County, to fulfill their own dreams and initiatives. And, of course,

this work is never complete. Even after I retire from the Senate, I have no intention of retiring from the fight for a better, fairer, richer Iowa. I will always be profoundly grateful for the opportunity to serve the people of Iowa as their Senator.●

TRIBUTE TO LELAND DEVON MELVIN

● Mr. KAINE. Mr. President, I want to pay tribute to a distinguished Virginian, Leland Devon Melvin, who retired as Associate Administrator for Education of NASA on February 28, 2014 after 24 years of service to our Nation.

Leland's career began on a different path, on the football field at the University of Richmond. Leland was a phenomenal wide receiver for the Spiders from 1982–1985 and still leads Richmond's career lists with 198 receptions for 2,669 yards. He scored the fourth-most touchdowns in Richmond history, 16, and was inducted into the university's Athletics Hall of Fame in 1996–1997. Leland was drafted to play in the NFL by the Detroit Lions in 1986. He also trained with the Dallas Cowboys and the Toronto Argonauts.

Hindered by injuries, Leland was unable to continue pursuing athletics and switched gears by earning his master of science degree in materials science engineering from the University of Virginia. Leland started his career at NASA in 1989 as an aerospace research engineer at NASA Langley Research Center in Hampton. He entered NASA's astronaut corps in 1998 and served on board the space shuttle *Atlantis* on two missions to the International Space Station in 2008 and 2009. Leland is one of only 14 African Americans to travel to space.

Leland will finish his tenure at NASA as Associate Administrator for Education, a position he was appointed to in 2010. In this role, Leland has led NASA's efforts to teach young Americans the importance of science, technology, engineering and mathematics, or STEM, with a particular passion for underserved communities. Leland also serves on the White House National Science and Technology Council's Committee on STEM, which coordinates and oversees the STEM education activities and programs within the Federal government. On the global level, Leland serves as our Nation's representative to the International Space Education Board, which develops and coordinates worldwide efforts to educate students on space, science and technology.

I commend Leland for his commitment to science and education, as well as public service. At a time when STEM education is becoming a priority for the United States, Leland's work has been beneficial to developing the skilled workforce necessary to drive our Nation's world-class innovations. Moreover, as an athlete who found a second passion at NASA, Leland serves as an iconic example of the opportunities young people can seize in science and technology. Leland's hard work, achievements and inspiring life story will undoubtedly leave a lasting impact on our Nation.

On behalf of the Senate and the people of Virginia, I thank Leland for his invaluable service to NASA and the Nation. Although he may be leaving NASA, he will continue to educate and inspire long after his work is done. I wish him the best of luck in the months and years ahead.●

RECOGNIZING ANGLERS HABITAT

● Mr. RISCH. Mr. President, my home State of Idaho is blessed with abundance of natural beauty. Idaho natives and visitors from all over the world enjoy the beauty, the peace, and the excitement of the lakes, ponds, rivers, and streams that cover over 800 square miles of my State. With summer fast approaching, the minds of many Idahoans are turning to a pastime thousands of years old: fishing. When anglers want to get serious about snagging a steelhead, they turn to the professionals. With that in mind, it gives me great pleasure to recognize Anglers Habitat, located in Caldwell, ID.

Owned by Wayne Johnson, Anglers Habitat has been selling a wide variety of fishing and outdoors gear since 1994. Mr. JOHNSON and his employees are careful to only stock the best, most reliable fishing tools. From rods and reels to dog beds, they offer hundreds of items from dozens of product lines. The selection is so good, many of their customers hail from outside the United States. Trust me, the folks at Anglers Habitat know what they are doing. At 5,760 square feet, theirs is the largest fly fishing store in the region.

Anglers Habitat goes the extra mile to make sure that customers find what they need. Their products are available for purchase in person at their flagship location, on the official company Web site or through their eBay site. Anglers Habitat also offers a trade-in program where customers can bring in used equipment that still in working condition in exchange for a discount on newer items. Not only does this create a good deal for the customer, but it also reduces waste and recycles still useable equipment.

Good service is also integral to the success of Anglers Habitat. Expanding customer knowledge is something they take seriously. Through their YouTube channel, the company promotes products and provides product reviews so that consumers may make an informed decision while shopping for equipment. They also offer free Saturday clinics on how to build a custom rod. High-end equipment can cost hundreds of dollars, and it is important to know how to best take advantage of modern fishing technology.

My home State of Idaho is blessed to be home to so much natural splendor and abundant outdoor recreational opportunities. Companies like Anglers Habitat recognize this beauty and provide a way for countless others to enjoy a pastime to which we Idahoans are already so accustomed. As we celebrate National Small Business Week, I want to congratulate Mr. JOHNSON and the team at Anglers Habitat on their two decades of achievement and wish them continued success in the future.●

47TH STREET BUSINESS IMPROVEMENT DISTRICT

● Mr. SCHUMER. Mr. President, I would like to take a moment to recognize New York City's 47th Street Business Improvement District, 47th Street BID. The 47th Street BID is a not-for-profit organization formed in 1997 by the merchants and landlords of the Diamond District, one of New York City's best known and most vibrant economic areas. The 47th Street BID has been instrumental in establishing the Diamond District as a central hub for the world's diamond and jewelry industries and has worked to cement its place as a powerhouse component of New York's economy.

The Diamond District, which consists of one block in midtown Manhattan—located on West 47th Street between Fifth Avenue and Sixth Avenue—is home to a significant portion of New York's diamond manufacturers, wholesalers, and retailers and serves as the home base for two industries that hold a great deal of importance for New York: the diamond industry, including both rough and wholesale diamonds, and the finished-jewelry industry. These two industries are extremely important to New York's tourism sector and are responsible for employing thousands of New Yorkers in highly-skilled jobs. New York City's diamond industry is also home to high-quality jewelry manufacturing, and aspiring artists come from all over the world to be trained in New York in the art of creating this much sought-after jewelry. The diamond and jewelry sector also supports a large number of high-profile, critical New York industries as well, including fashion, entertainment, and hospitality.

It is estimated that over half of the diamonds that come to the United States enter through New York, and the Diamond District is known all over the world as the international center for the diamond and jewelry trade. The Diamond District is also home to two foreign-trade zones—the International Gem Tower at 50 W. 47th Street and the World Diamond Tower at 580 Fifth Avenue, which also houses the 47th Street BID headquarters. People flock from all over the world to buy and sell diamonds and other gems in these free trade zones. The 47th Street BID has also been instrumental in enhancing the economic development activities of the Diamond District and making the area safer and more beautiful for merchants and consumers who work and shop there. The 47th Street BID also

installed flowers, holiday decorations, and banners in the Diamond District. It also recently undertook an initiative to keep the district clean—an initiative which is now one of the highest-rated sanitation programs in all of New York City. Additionally, the 47th Street BID developed and operates the Diamond District's website, which has become a key resource for shoppers and merchants alike, who rely on the site for referrals.

New York's Diamond District is an incredible example of how an industry can continuously grow and thrive in a competitive economic climate, and the 47th Street BID has played a large role in helping to make the Diamond District—and the people who work there—a tremendous success. By promoting the Diamond District, facilitating trade, and keeping the district clean and safe for customers, merchants, and traders alike, the 47th Street BID has ensured that this critical New York industry remains a power house within New York, a major economic engine for the city and State, and an international hub for this global industry.●

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–5700. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 20–309, ''Skyland Town Center Omnibus Act of 2014''; to the Committee on Homeland Security and Governmental Affairs.

EC–5701. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 20–319, ''Comprehensive Planning and Utilization of School Facilities Amendment Act of 2014''; to the Committee on Homeland Security and Governmental Affairs.

EC–5702. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 20–310, ''Driver's Safety Clarification Temporary Amendment Act of 2014''; to the Committee on Homeland Security and Governmental Affairs.

EC–5703. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 20–311, ''Transportation Infrastructure Mitigation Clarification Temporary Amendment Act of 2014''; to the Committee on Homeland Security and Governmental Affairs.

EC–5704. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 20–312, ''Department of Parks and Recreation Fee-based Use Permit Authority Clarification Temporary Amendment Act of 2014''; to the Committee on Homeland Security and Governmental Affairs.

EC–5705. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 20–308, ''Condominium Amendment Act of 2014''; to the Committee on Homeland Security and Governmental Affairs.

EC–5706. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 20–321, ''Tobacco Product Manufacturer Reserve Fund Temporary Amendment Act of 2014''; to the Committee on Homeland Security and Governmental Affairs.

EC–5707. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 20–320, ''Kelsey Gardens Redevelopment Temporary Act of 2014''; to the Committee on Homeland Security and Governmental Affairs.

EC–5708. A communication from the Associate General Counsel for General Law, Department of Homeland Security, transmitting, pursuant to law, a report relative to a vacancy in the position of Under Secretary for Intelligence and Analysis, Department of Homeland Security, received during adjournment of the Senate in the Office of the President of the Senate on May 9, 2014; to the Committee on Homeland Security and Governmental Affairs.

EC–5709. A communication from the Associate Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Milk in the Appalachian, Florida, and Southeast Marketing Areas; Order Amending the Orders'' (Docket No. AMS–DA–07–0059; AO–388–A22, AO–356–A43, and AO–366–A51; DA–07–03) received during adjournment of the Senate in the Office of the President of the Senate on May 9, 2014; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5710. A communication from the Associate Administrator of the Fruit and Vegetable Programs, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Kiwifruit Grown in California; Decreased Assessment Rate'' (Docket No. AMS–FV–13–0071; FV13–920–2 FIR) received during adjournment of the Senate in the Office of the President of the Senate on May 9, 2014; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5711. A communication from the Associate Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Milk in the Appalachian and Southeast Marketing Areas; Order Amending the Orders'' (Docket No. AMS–DA–09–0001; AO–388–A17 and AO–355–A46; DA–05–06–A) received during adjournment of the Senate in the Office of the President of the Senate on May 9, 2014; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5712. A communication from the Associate Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Soybean Promotion, Research, and Consumer Information Program; Amendment of Procedures and Notification of Request for Referendum'' (Docket No. AMS–LPS–13–0066) received during adjournment of the Senate in the Office of the President of the Senate on May 9, 2014; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5713. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Mancozeb, Maneb, Metiram, and Thiram; Tolerance Actions'' (FRL No. 9909–80–OCSPP) received in the Office of the President of the Senate on May 8, 2014; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5714. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Agricultural Bioterrorism Protection Act of 2002; Biennial Review and Republication of the Select Agent and Toxin List; Amendments to the Select Agent and Toxin Regulations; Technical Amendment'' (Docket No. APHIS–2009–0070) received in the Office of the President of the Senate on May 12, 2014; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5715. A communication from the Secretary of the Senate, transmitting, pursuant to law, the report of the receipts and expenditures of the Senate for the period from October 1, 2013 through March 31, 2014, received in the Office of the President of the Senate on May 13, 2014; ordered to lie on the table.

EC–5716. A communication from the Under Secretary of Defense (Acquisition, Technology and Logistics), transmitting, pursuant to law, a report entitled ''Report to Congress on Department of Defense Fiscal Year 2013 Purchases from Foreign Entities''; to the Committee on Armed Services.

EC–5717. A communication from the Assistant Secretary of Defense (Legislative Affairs), transmitting legislative proposals and accompanying reports relative to the National Defense Authorization Act for Fiscal Year 2015; to the Committee on Armed Services.

EC–5718. A communication from the Secretary of Defense, transmitting a report on the approved retirement of Lieutenant General William L. Conant, United States Marine Corps, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

EC–5719. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Chile; to the Committee on Banking, Housing, and Urban Affairs.

EC–5720. A communication from the Assistant General Counsel for Legislation, Regulation and Energy Efficiency, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Amendments and Correction to Petitions for Waiver and Interim Waiver for Consumer Products and Commercial and Industrial Equipment'' (RIN1904–AC70) received in the Office of the President of the Senate on May 12, 2014; to the Committee on Energy and Natural Resources.

EC–5721. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revision to the Washington State Implementation Plan; Update to the Solid Fuel Burning Devices Regulations'' (FRL No. 9910–54–Region 10) received in the Office of the President of the Senate on May 8, 2014; to the Committee on Environment and Public Works.

EC–5722. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes; Georgia; Redesignation of the Rome, Georgia, 1997 Annual Fine Particulate Matter Nonattainment Area to Attainment'' (FRL No. 9910–65–Region 4) received in the Office of the President of the Senate on May 8, 2014; to the Committee on Environment and Public Works.

EC–5723. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Priorities List, Final Rule No. 58'' (FRL No. 9910–72–OSWER) received in the Office of the President of the Senate on May 8, 2014; to the Committee on Environment and Public Works.

EC–5724. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes; Georgia; Redesignation of the Macon, Georgia, 1997 Annual Fine Particulate Matter Nonattainment Area to Attainment'' (FRL No. 9910–64–Region 4) received in the Office of the President of the Senate on May 8, 2014; to the Committee on Environment and Public Works.

EC–5725. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Update of the Motor Vehicle Emissions Budgets for the Allentown-Bethlehem-Easton 1997 8-Hour Ozone National Ambient Air Quality Standard Maintenance Area'' (FRL No. 9910–48–Region 3) received in the Office of the President of the Senate on May 8, 2014; to the Committee on Environment and Public Works.

EC–5726. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Information Reporting for Affordable Insurance Exchanges'' ((RIN1545–BL42) (TD 9663)) received during adjournment of the Senate in the Office of the President of the Senate on May 9, 2014; to the Committee on Finance.

EC–5727. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Section 67 Limitations on Estates or Trusts'' ((RIN1545–BF80) (TD 9664)) received during adjournment of the Senate in the Office of the President of the Senate on May 9, 2014; to the Committee on Finance.

EC–5728. A communication from the Deputy Director, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicare and Medicaid Programs; Regulatory Provisions to Promote Program Efficiency, Transparency, and Burden Reduction; Part II'' ((RIN0938–AR49) (CMS–3267–F)) received in the Office of the President of the Senate on May 8, 2014; to the Committee on Finance.

EC–5729. A communication from the Assistant General Counsel, General Law, Ethics, and Regulation, Department of the Treasury, transmitting, pursuant to law, two (2) reports relative to vacancies in the Department of the Treasury, received during adjournment of the Senate in the Office of the President of the Senate on May 9, 2014; to the Committee on Finance.

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 Mr. BROWN:

S. 2323. A bill to amend chapter 21 of title 5, United States Code, to provide that fathers of certain permanently disabled or deceased veterans shall be included with mothers of such veterans as preference eligibles for treatment in the civil service; to the Committee on Homeland Security and Governmental Affairs.

By Mrs. BOXER (for herself, Mr. SANDERS, and Mr. MARKEY):

S. 2324. A bill to amend the Atomic Energy Act of 1954 to prohibit certain waivers and exemptions from emergency preparedness and response and security regulations; to the Committee on Environment and Public Works.

By Mr. MARKEY (for himself, Mrs. BOXER, and Mr. SANDERS):

S. 2325. A bill to amend the Nuclear Waste Policy Act of 1982 to provide for the expansion of emergency planning zones and the development of plans for dry cask storage of spent nuclear fuel, and for other purposes; to the Committee on Environment and Public Works.

By Mr. SANDERS (for himself, Mrs. BOXER, and Mr. MARKEY):

S. 2326. A bill to amend the Atomic Energy Act of 1954 to provide for consultation with State and local governments, the consideration of State and local concerns, and the approval of post-shutdown decommissioning activities reports by the Nuclear Regulatory Commission; to the Committee on Environment and Public Works.

By Mr. WALSH:

S. 2327. A bill to make continuing appropriations for certain programs that benefit sportsmen in the event of a lapse in appropriations; to the Committee on Appropriations.

By Mr. TOOMEY (for himself and Mr. WARNER):

S. 2328. A bill to amend the Fair Debt Collection Practices Act to preclude law firms and licensed attorneys from the definition of a debt collector when taking certain actions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. SHAHEEN (for herself, Mr. RUBIO, Mr. CASEY, Ms. AYOTTE, Mr. CARDIN, Mr. RISCH, Mr. MARKEY, Mr. CORNYN, Mrs. GILLIBRAND, and Mr. GRAHAM):

S. 2329. A bill to prevent Hezbollah from gaining access to international financial and other institutions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CHAMBLISS:

S. 2330. A bill to amend the Commodity Exchange Act to improve futures and swaps trading, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. HAGAN:

S. 2331. A bill to establish the Historically Black Colleges and Universities Innovation Fund; 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 Ms. LANDRIEU (for herself, Mr. GRASSLEY, Mr. KAINE, Mr. CRAPO, Ms. HEITKAMP, Mr. INHOFE, Mr. LEVIN, Mr. JOHANNS, Ms. KLOBUCHAR, Mr. COCHRAN, Mr. CASEY, Mr. HOEVEN, Mrs. FEINSTEIN, Mr. BLUNT, Mr. WYDEN, and Mrs. HAGAN):

S. Res. 442. A resolution recognizing National Foster Care Month as an opportunity to raise awareness about the challenges of children in the foster care system, and encouraging Congress to implement policy to improve the lives of children in the foster care system; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BEGICH (for himself, Mr. KIRK, Mr. SCHATZ, Mr. SCOTT, Mr. WARNER, Ms. HIRONO, Mr. REID, Ms. KLOBUCHAR, Mrs. SHAHEEN, and Mr. HELLER):

S. Res. 443. A resolution recognizing the goals of National Travel and Tourism Week and honoring the valuable contributions of travel and tourism to the United States; considered and agreed to.

By Mr. ALEXANDER (for himself, Mr. CORKER, Mr. REID, Mr. MCCONNELL, Ms. AYOTTE, Ms. BALDWIN, Mr. BARRASSO, Mr. BEGICH, Mr. BENNET, Mr. BLUMENTHAL, Mr. BLUNT, Mr. BOOKER, Mr. BOOZMAN, Mrs. BOXER, Mr. BROWN, Mr. BURR, Ms. CANTWELL, Mr. CARDIN, Mr. CARPER, Mr. CASEY, Mr. CHAMBLISS, Mr. COATS, Mr. COBURN, Mr. COCHRAN, Ms. COLLINS, Mr. COONS, Mr. CORNYN, Mr. CRAPO, Mr. CRUZ, Mr. DONNELLY, Mr. DURBIN, Mr. ENZI, Mrs. FEINSTEIN, Mrs. FISCHER, Mr. FLAKE, Mr. FRANKEN, Mrs. GILLIBRAND, Mr. GRAHAM, Mr. GRASSLEY, Mrs. HAGAN, Mr. HARKIN, Mr. HATCH, Mr. HEINRICH, Ms. HEITKAMP, Mr. HELLER, Ms. HIRONO, Mr. HOEVEN, Mr. INHOFE, Mr. ISAKSON, Mr. JOHANNS, Mr. JOHNSON of Wisconsin, Mr. JOHNSON of South Dakota, Mr. KAINE, Mr. KING, Mr. KIRK, Ms. KLOBUCHAR, Ms. LANDRIEU, Mr. LEAHY, Mr. LEE, Mr. LEVIN, Mr. MANCHIN, Mr. MARKEY, Mr. MCCAIN, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. MERKLEY, Ms. MIKULSKI, Mr. MORAN, Ms. MURKOWSKI, Mr. MURPHY, Mrs. MURRAY, Mr. NELSON, Mr. PAUL, Mr. PORTMAN, Mr. PRYOR, Mr. REED, Mr. RISCH, Mr. ROBERTS, Mr. ROCKEFELLER, Mr. RUBIO, Mr. SANDERS, Mr. SCHATZ, Mr. SCHUMER, Mr. SCOTT, Mr. SESSIONS, Mrs. SHAHEEN, Mr. SHELBY, Ms. STABENOW, Mr. TESTER, Mr. THUNE, Mr. TOOMEY, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. VITTER, Mr. WALSH, Mr. WARNER, Ms. WARREN, Mr. WHITEHOUSE, Mr. WICKER, and Mr. WYDEN):

S. Res. 444. A resolution relative to the death of Harlan Mathews, former United States Senator for the State of Tennessee; considered and agreed to.

ADDITIONAL COSPONSORS

S. 325

At the request of Mr. TESTER, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 325, a bill to amend title 38, United States Code, to increase the maximum age for children eligible for medical care under the CHAMPVA program, and for other purposes.

S. 357

At the request of Mr. CARDIN, the names of the Senator from Missouri (Mrs. MCCASKILL) and the Senator from Alaska (Mr. BEGICH) were added as cosponsors of S. 357, a bill to encourage, enhance, and integrate Blue Alert plans throughout the United States in order to disseminate information when a law enforcement officer is seriously injured or killed in the line of duty.

S. 398

At the request of Ms. COLLINS, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 398, a bill to establish the Commission to Study the Potential Creation of a National Women's History Museum, and for other purposes.

S. 772

At the request of Mr. NELSON, the name of the Senator from Hawaii (Ms.

HIRONO) was added as a cosponsor of S. 772, a bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the Food and Drug Administration's jurisdiction over certain tobacco products, and to protect jobs and small businesses involved in the sale, manufacturing and distribution of traditional and premium cigars.

S. 1033

At the request of Mr. HARKIN, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 1033, a bill to authorize a grant program to promote physical education, activity, and fitness and nutrition, and to ensure healthy students, and for other purposes.

S. 1116

At the request of Mr. SCHUMER, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 1116, a bill to amend the Internal Revenue Code of 1986 to equalize the exclusion from gross income of parking and transportation fringe benefits and to provide for a common cost-of-living adjustment, and for other purposes.

S. 1174

At the request of Mr. BLUMENTHAL, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1174, a bill to award a Congressional Gold Medal to the 65th Infantry Regiment, known as the Borinqueneers.

S. 1311

At the request of Mr. BARRASSO, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1311, a bill to provide for phased-in payment of Social Security Disability Insurance payments during the waiting period for individuals with a terminal illness.

S. 1431

At the request of Mr. WYDEN, the name of the Senator from Texas (Mr. CRUZ) was added as a cosponsor of S. 1431, a bill to permanently extend the Internet Tax Freedom Act.

S. 1696

At the request of Mr. BLUMENTHAL, the name of the Senator from Montana (Mr. WALSH) was added as a cosponsor of S. 1696, a bill to protect a women's right to determine whether and when to bear a child or end a pregnancy by limiting restrictions on the provision of abortion services.

S. 1733

At the request of Ms. KLOBUCHAR, the name of the Senator from Connecticut (Mr. BLUMENTHAL) was added as a cosponsor of S. 1733, a bill to stop exploitation through trafficking.

S. 1793

At the request of Ms. KLOBUCHAR, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of S. 1793, a bill to encourage States to require the installation of residential carbon monoxide detectors in homes, and for other purposes.

S. 1862

At the request of Mr. BLUNT, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1862, a bill to grant the Congressional Gold Medal, collectively, to the Monuments Men, in recognition of their heroic role in the preservation, protection, and restitution of monuments, works of art, and artifacts of cultural importance during and following World War II.

S. 2004

At the request of Mr. BEGICH, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 2004, a bill to ensure the safety of all users of the transportation system, including pedestrians, bicyclists, transit users, children, older individuals, and individuals with disabilities, as they travel on and across federally funded streets and highways.

S. 2013

At the request of Mr. MCCONNELL, his name was added as a cosponsor of S. 2013, a bill to amend title 38, United States Code, to provide for the removal of Senior Executive Service employees of the Department of Veterans Affairs for performance, and for other purposes.

S. 2094

At the request of Mr. BEGICH, the names of the Senator from Georgia (Mr. ISAKSON) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 2094, a bill to provide for the establishment of nationally uniform and environmentally sound standards governing discharges incidental to the normal operation of a vessel.

S. 2133

At the request of Ms. BALDWIN, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 2133, a bill to amend title VII of the Civil Rights Act of 1964 and other statutes to clarify appropriate liability standards for Federal antidiscrimination claims.

S. 2192

At the request of Mr. MARKEY, the name of the Senator from Minnesota (Mr. FRANKEN) was added as a cosponsor of S. 2192, a bill to amend the National Alzheimer's Project Act to require the Director of the National Institutes of Health to prepare and submit, directly to the President for review and transmittal to Congress, an annual budget estimate (including an estimate of the number and type of personnel needs for the Institutes) for the initiatives of the National Institutes of Health pursuant to such an Act.

S. 2270

At the request of Ms. COLLINS, the names of the Senator from Georgia (Mr. ISAKSON), the Senator from Iowa (Mr. GRASSLEY) and the Senator from Louisiana (Mr. VITTER) were added as cosponsors of S. 2270, a bill to clarify the application of certain leverage and risk-based requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

S. 2284

At the request of Mrs. GILLIBRAND, the name of the Senator from New Jersey (Mr. BOOKER) was added as a cosponsor of S. 2284, a bill to require the Secretary of Transportation to establish new standards for automobile hoods and bumpers to reduce pedestrian injuries, and for other purposes.

S. 2285

At the request of Mrs. SHAHEEN, the name of the Senator from Montana (Mr. TESTER) was added as a cosponsor of S. 2285, a bill to help small businesses access capital and create jobs by reauthorizing the successful State Small Business Credit Initiative.

S. 2295

At the request of Mr. LEAHY, the names of the Senator from Pennsylvania (Mr. CASEY), the Senator from Wyoming (Mr. ENZI), the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from New York (Mrs. GILLIBRAND) were added as cosponsors of S. 2295, a bill to establish the National Commission on the Future of the Army, and for other purposes.

S. 2305

At the request of Mrs. MURRAY, the name of the Senator from Hawaii (Mr. SCHATZ) was added as a cosponsor of S. 2305, a bill to amend the method by which the Social Security Administration determines the validity of marriages under title II of the Social Security Act.

S. 2307

At the request of Mrs. BOXER, the names of the Senator from Iowa (Mr. HARKIN) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 2307, a bill to prevent international violence against women, and for other purposes.

S. 2311

At the request of Mr. TESTER, the name of the Senator from Kansas (Mr. MORAN) was added as a cosponsor of S. 2311, a bill to amend title 38, United States Code, to include licensed hearing aid specialists as eligible for appointment in the Veterans Health Administration of the Department of Veterans Affairs, and for other purposes.

S.J. RES. 10

At the request of Mr. MENENDEZ, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S.J. Res. 10, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

S. CON. RES. 6

At the request of Mr. BARRASSO, the name of the Senator from Kansas (Mr. MORAN) was added as a cosponsor of S. Con. Res. 6, a concurrent resolution supporting the Local Radio Freedom Act.

S. RES. 369

At the request of Mr. MENENDEZ, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. Res. 369, a resolution to designate May 22, 2014 as ''United States Foreign

Service Day'' in recognition of the men and women who have served, or are presently serving, in the Foreign Service of the United States, and to honor those in the Foreign Service who have given their lives in the line of duty.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHAMBLISS:

S. 2330. A bill to amend the Community Exchange Act to improve futures and swaps trading, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. CHAMBLISS. I rise to speak about a bill that I am introducing today which is an amendment to the Commodity Exchange Act and it is entitled the End-User Protection Act. During the debate on Dodd-Frank a couple years ago, a constant concern for me and others in this Chamber was how best to protect end users, the individuals and businesses that use futures markets both to purchase commodities and use derivatives to hedge their risk. The legislation that ultimately passed was not what I had desired, but it did specify that end users should not be treated the same as banks, and in many instances should not be subject to the same registration and margin requirements as other market participants. But that simply has not been the case as the CFTC has gone through the rulemaking process.

I have seen many instances where the Commission in its zeal to finalize rules has not given due consideration to those farmers, ranchers, and other end users who depend on our futures markets to hedge their risks. Time and again end users brought their concerns to the Commission, and the end-user exemption I helped to author was not honored. In other instances Dodd-Frank created unintended consequences that must be fixed. It is for these reasons that I am introducing the End-User Protection Act.

As commodities end users have struggled through an increasing burden of reforms that were never designed for them, the effect has been an increase in their cost of doing business and, for some, making the already high risks associated with farming even higher.

The bill I am introducing clarifies that unlike banks, true derivative end users are exempt from the margin requirements applied by the Dodd-Frank Wall Street Reform and Consumer Protection Act to many of the derivatives contracts that they enter into.

Let me highlight a few of the other reforms that are included in this bill. One of the most egregious abuses by the Commodities Futures Trading Commission has been with their cost-benefit analysis. While the CEA instructed the Commission to weigh the cost and benefits of regulations, it is only recently we have seen misgivings in this process. Throughout the Dodd-Frank rulemaking process industry participants have relayed concerns about the cost-benefit analyses performed by the CFTC. Commissioners as well have vocalized concerns that the model the CFTC has used is deficient in several areas. For instance, in a letter to the Wall Street Journal in August of 2011, Commissioner Scott O'Malia stated:

> With respect to our proposed rule makings, our own inspector general has called into question the quality of the cost-benefit analysis. Nevertheless, during the course of our final rule makings, I have continued to see indications that the CFTC intends to persist with a one-size-fits-all, qualitative approach. This approach contradicts two recent executive orders from President Obama and justifiably renders our rule makings vulnerable to legal challenge.
>
> . . . We need to be more cognizant of the effects that our rule makings may have on the food and energy costs of average Americans. If the CFTC needs to re-propose a rule making, then so be it. Given the stakes for Main Street and Wall Street, it is more important to get a rule making right than to finish it fast.

As Commissioner O'Malia notes, getting it right is the most important part for the average American—but not, it seems, for the Commission. Even the CFTC's Inspector General detailed insufficient cost-benefit methodology in rulemakings. In some instances the Commission has even released ''interpretive guidance'' in order to subvert the cost-benefit process altogether.

President Obama has made clear that he expects a thorough analysis, and the Commission should be held to the same standard as other agencies. Therefore, my bill amends the Commodities Exchange Act to require a real cost-benefit analysis be performed before rulemaking. I am asking for the Commission as a rulemaking body to play fair, to do the right thing, and ensure when they pass a rule they know how it will affect market participants and the industry as a whole first.

We know some companies pass risk from their affiliates to one central hedging unit in order to consolidate their combined market risk. Then they hedge that risk with the market. Often the affiliate that houses the central desk is deemed a ''financial entity'' and therefore not able to utilize the end-user exception to mandatory clearing. Simply put, when one company with multiple units trades with itself, it shouldn't face the same regulatory burden as when it trades in the market.

We have also seen instances where transparency has had unintended consequences for some market participants. As their trading data was made available, some savvy market participants have been able to track their trades without even knowing the name of the company. It is important these entities not face a disadvantage in the market, resulting in millions of dollars in additional costs simply because their positions can be identified. This bill fixes that issue and ends that disadvantage.

Another reform this bill makes is allowances for utilities' volumetric optionality. Many utilities that are purchasers of natural gas for both electricity and home heating often are unable to detail exactly how much demand they will have during a particular timeframe. Although they previously were able to utilize contracts that allowed this ''optionality'' to determine when and how much electricity they could purchase, these types of contracts are now effectively prohibited. By barring these utilities from being able to employ market strategies to keep costs low and ensure stability, the cost rises not only for the end-user company but for the consumer as well. We should make allowances for this volumetric optionality and the bill before us does just that.

In summary, this bill clarifies the existing end-user exemption that the Congress provided during the Dodd-Frank debate. Further, it ensures that market participants who do not pose systemic risks and use our futures markets to decrease their cost of business and increase their efficiencies are able to continue those practices, ultimately to the benefit of the consumer.

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. 2330

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 ''End-User Protection Act of 2014''.

SEC. 2. DEFINITIONS.

(a) IN GENERAL.—Section 1a of the Commodity Exchange Act (7 U.S.C. 1a) is amended—

(1) by redesignating paragraphs (8) through (51) as paragraphs (9) through (52), respectively;

(2) by inserting after paragraph (7) the following:

''(8) COMMERCIAL MARKET PARTICIPANT.—The term 'commercial market participant' means any producer, processor, merchant, or commercial user of an exempt or agricultural commodity, or the products or by-products of an exempt or agricultural commodity.'';

(3) in subparagraph (B) of paragraph (48) (as so redesignated), by striking clause (ii) and inserting the following:

''(ii) any purchase or sale of a nonfinancial commodity or security for deferred shipment or delivery, so long as the transaction is intended to be physically settled, including any stand-alone or embedded option for which exercise would result in a physical delivery obligation;''; and

(4) in paragraph (50) (as redesignated by paragraph (1)), by striking subparagraph (D) and inserting the following:

''(D) DE MINIMIS EXCEPTION.—

''(i) IN GENERAL.—The Commission shall exempt from designation as a swap dealer an entity that engages in a de minimis quantity of swap dealing (which shall not be less than $8,000,000,000) in connection with transactions with or on behalf of its customers.

''(ii) REGULATIONS.—The Commission shall promulgate regulations to establish the factors to be used in a determination under clause (i) to exempt, including any monetary

or other levels established by the Commission, and those levels shall only be amended or changed through an affirmative action of the Commission undertaken by rule or regulation.''.

(b) FINANCIAL ENTITY.—Section 2(h)(7)(C) of the Commodity Exchange Act (7 U.S.C. 2(h)(7)(C)) is amended—

(1) in clause (iii)—

(A) by striking ''an entity whose'' and inserting the following: ''an entity—

''(I) whose'';

(B) by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

''(II) that is—

''(aa) a commercial market participant;

''(bb) included in clause (i)(VIII); and

''(cc) not supervised by a prudential regulator; or

''(III) that is included in clause (i)(VIII) because—

''(aa) the entity regularly enters into foreign exchange or derivatives transactions on behalf of, or to hedge or mitigate, whether directly or indirectly, the commercial risk of 1 or more entities within the same commercial enterprise as the entity; or

''(bb) of the making of loans to 1 or more entities within the same commercial enterprise as the entity.''; and

(2) by adding at the end the following:

''(iv) SAME COMMERCIAL ENTERPRISE.—For purposes of clause (iii)(III), an entity shall be considered to be within the same commercial enterprise as another entity if—

''(I) 1 of the entities owns, directly or indirectly, at least a majority ownership interest in the other entity and reports its financial statements on a consolidated basis and the consolidated financial statements include the financial results of both entities; or

''(II) a third party owns at least a majority ownership interest in both entities and reports its financial statements on a consolidated basis and the financial statements of the third party include the financial results of both entities.

''(v) PREDOMINANTLY ENGAGED.—

''(I) IN GENERAL.—Not later than 90 days after the date of enactment of this clause, the Commission shall promulgate regulations defining the term 'predominantly engaged' for purposes of clause (i)(VIII).

''(II) MINIMUM REVENUES.—The regulations shall provide that an entity shall not be considered to be predominantly engaged in activities that are in the business of banking or financial in nature if the consolidated revenues of the entity derived from the activities constitute less than a percentage (as specified by the Commission in the regulations) of the total consolidated revenues of the entity.

''(III) REVENUES FROM BANKING OR FINANCIAL ACTIVITIES.—In determining the percentage of the revenues of an entity that are derived from activities that are in the business of banking or financial in nature, the regulations shall exclude all revenues that are or result from foreign exchange or derivatives transactions used to hedge or mitigate commercial risk (as defined by the Commission in the regulations).''.

SEC. 3. REPORTING OF ILLIQUID SWAPS SO AS TO NOT DISADVANTAGE CERTAIN NONFINANCIAL END USERS.

Section 2(a)(13) of the Commodity Exchange Act (7 U.S.C. 2(a)(13)) is amended—

(1) in subparagraph (C), by striking ''The Commission'' and inserting ''Except as provided in subparagraph (D), the Commission'';

(2) by redesignating subparagraphs (D) through (G) as subparagraphs (E) through (H), respectively; and

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

''(D) REQUIREMENTS FOR SWAP TRANSACTIONS IN ILLIQUID MARKETS.—

''(i) DEFINITION OF ILLIQUID MARKETS.—In this subparagraph, the term 'illiquid markets' means any market in which the volume and frequency of trading in swaps is at such a level as to allow identification of individual market participants.

''(ii) REQUIREMENTS.—Notwithstanding subparagraph (C), the Commission shall—

''(I) provide by rule for the public reporting of swap transactions, including price and volume data, in illiquid markets that are not cleared and entered into by a nonfinancial entity that is hedging or mitigating commercial risk in accordance with subsection (h)(7)(A); and

''(II) ensure that the swap transaction information described in subclause (I) is available to the public not sooner than 30 days after the swap transaction has been executed or at such later date as the Commission determines appropriate to protect the identity of participants and positions in illiquid markets and to prevent the elimination or reduction of market liquidity.''.

SEC. 4. TREATMENT OF AFFILIATES.

Section 2(h)(7)(D)(i) of the Commodity Exchange Act (7 U.S.C. 2(h)(7)(D)(i)) is amended—

(1) by striking ''An affiliate'' and inserting ''A person that is a financial entity and is an affiliate'';

(2) by striking ''(including affiliate entities predominantly engaged in providing financing for the purchase of the merchandise or manufactured goods of the person)''; and

(3) by striking ''and as an agent''.

SEC. 5. APPLICABILITY TO BONA FIDE HEDGE TRANSACTIONS OR POSITIONS.

Section 4a(c) of the Commodity Exchange Act (7 U.S.C. 6a(c)) is amended—

(1) in the second sentence of paragraph (1), by striking ''into the future for which'' and inserting ''in the future, to be determined by the Commission, for which either an appropriate swap is available or''; and

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking ''subsection (a)(2)'' and all that follows through ''position that—'' and inserting ''paragraphs (2) and (5) of subsection (a) for swaps, contracts of sale for future delivery, or options on the contracts or commodities, a bona fide hedging transaction or position is a transaction or position that—''; and

(B) in subparagraph (A)(ii), by striking ''of risks'' and inserting ''or management of current or anticipated risks''; and

(3) by adding at the end the following:

''(3) COMMISSION DEFINITION.—The Commission may further define, by rule or regulation, what constitutes a bona fide hedging transaction or position so long as the rule or regulation is consistent with the requirements of subparagraphs (A) and (B) of paragraph (2).''.

SEC. 6. REPORTING AND RECORDKEEPING.

Section 4g(f) of the Commodity Exchange Act (7 U.S.C. 6g(f)) is amended—

(1) by striking ''(f) Nothing contained in this section'' and inserting the following:

''(f) AUTHORITY OF COMMISSION TO MAKE SEPARATE DETERMINATIONS UNIMPAIRED.—

''(1) IN GENERAL.—Except as provided in paragraph (2), nothing in this section''; and

(2) by adding at the end the following:

''(2) EXCEPTION.—If the Commission imposes any requirement under this section on any person that is not registered, or required to be registered, with the Commission in any capacity, that person shall satisfy the requirements of any rule, order, or regulation under this section by maintaining a written record of each cash or forward transaction related to a reportable or hedging commodity interest transaction, futures contract, option on a futures contract, or swap.

''(3) SUFFICIENCY.—A written record described in paragraph (2) shall be sufficient if the written record—

''(A) memorializes the final agreement between the parties, including the material economic terms of the transaction; and

''(B) is identifiable and searchable by transaction.''.

SEC. 7. MARGIN REQUIREMENTS.

(a) COMMODITY EXCHANGE ACT AMENDMENT.—Section 4s(e) of the Commodity Exchange Act (7 U.S.C. 6s(e)) is amended by adding at the end the following:

''(4) APPLICABILITY WITH RESPECT TO COUNTERPARTIES.—The requirements of paragraphs (2)(A)(ii) and (2)(B)(ii), including the initial and variation margin requirements imposed by rules adopted pursuant to paragraphs (2)(A)(ii) and (2)(B)(ii), shall not apply to a swap in which a counterparty qualifies for an exception under section 2(h)(7)(A) or 2(h)(7)(D), or an exemption issued under section 4(c)(1) from the requirements of section 2(h)(1)(A) for cooperative entities as defined in that exemption.''.

(b) SECURITIES EXCHANGE ACT AMENDMENT.—Section 15F(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–10(e)) is amended by adding at the end the following:

''(4) APPLICABILITY WITH RESPECT TO COUNTERPARTIES.—The requirements of paragraphs (2)(A)(ii) and (2)(B)(ii) shall not apply to a security-based swap in which a counterparty qualifies for an exception under section 3C(g)(1) or satisfies the criteria in section 3C(g)(4).''.

(c) IMPLEMENTATION.—The amendments made by this section to the Commodity Exchange Act (7 U.S.C. 1 et seq.) shall be implemented—

(1) without regard to—

(A) chapter 35 of title 44, United States Code; and

(B) the notice and comment provisions of section 553 of title 5, United States Code;

(2) through the promulgation of an interim final rule, pursuant to which public comment is sought before a final rule is issued; and

(3) such that paragraph (1) shall apply solely to changes to rules and regulations, or proposed rules and regulations, that are limited to and directly a consequence of the amendments.

SEC. 8. ANALYSIS BY THE COMMODITY FUTURES TRADING COMMISSION OF THE COSTS AND BENEFITS OF REGULATIONS AND ORDERS.

Section 15(a) of the Commodity Exchange Act (7 U.S.C. 19(a)) is amended by striking paragraphs (1) and (2) and inserting the following:

''(1) IN GENERAL.—Before promulgating a regulation under this Act or issuing an order (except as provided in paragraph (3)), the Commission, acting through the Office of the Chief Economist, shall—

''(A) state a justification for the regulation or order;

''(B) state the baseline for the cost-benefit analysis and explain how the regulation or order measures costs against the baseline;

''(C) assess the costs and benefits, both qualitative and quantitative, of the intended regulation or order;

''(D) measure, and seek to improve, the actual results of regulatory requirements; and

''(E) propose or adopt a regulation or order only on a reasoned determination that the benefits of the intended regulation or order justify the costs of the intended regulation or order (recognizing that some benefits and costs are difficult to quantify).

''(2) CONSIDERATIONS.—In making a reasoned determination of costs and benefits

under paragraph (1), the Commission shall consider—

''(A) the protection of market participants and the public;

''(B) the efficiency, competitiveness, and financial integrity of futures and swaps markets;

''(C) the impact on market liquidity in the futures and swaps markets;

''(D) price discovery;

''(E) sound risk management practices;

''(F) the cost of available alternatives to direct regulation;

''(G) the degree and nature of the risks posed by various activities within the scope of the jurisdiction of the Commission;

''(H) whether, consistent with obtaining regulatory objectives, the regulation or order is tailored to impose the least burden on society, including market participants, individuals, businesses of differing sizes, and other entities (including small communities and governmental entities), taking into account, to the extent practicable, the cumulative costs of regulations and orders;

''(I) whether the regulation or order is inconsistent, incompatible, or duplicative of other Federal regulations and orders; and

''(J) whether, in choosing among alternative regulatory approaches, those approaches maximize net benefits (including potential economic, environmental, and other benefits, distributive impacts, and equity).''.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 442—RECOGNIZING NATIONAL FOSTER CARE MONTH AS AN OPPORTUNITY TO RAISE AWARENESS ABOUT THE CHALLENGES OF CHILDREN IN THE FOSTER CARE SYSTEM, AND ENCOURAGING CONGRESS TO IMPLEMENT POLICY TO IMPROVE THE LIVES OF CHILDREN IN THE FOSTER CARE SYSTEM

Ms. LANDRIEU (for herself, Mr. GRASSLEY, Mr. KAINE, Mr. CRAPO, Ms. HEITKAMP, Mr. INHOFE, Mr. LEVIN, Mr. JOHANNS, Ms. KLOBUCHAR, Mr. COCHRAN, Mr. CASEY, Mr. HOEVEN, Mrs. FEINSTEIN, Mr. BLUNT, Mr. WYDEN, and Mrs. HAGAN) submitted the following resolution; which was referred to the Committee on Health, Education, Labor, and Pensions:

S. RES. 442

Whereas National Foster Care Month was established more than 20 years ago to—

(1) bring foster care issues to the forefront;

(2) highlight the importance of permanency for every child; and

(3) recognize the essential role that foster parents, social workers, and advocates have in the lives of children in foster care throughout the United States;

Whereas all children deserve a safe, loving, and permanent home;

Whereas the primary goal of the foster care system is to ensure the safety and well-being of children while working to provide a safe, loving, and permanent home for each child;

Whereas there are approximately 400,000 children living in foster care;

Whereas there were approximately 252,000 youth that entered the foster care system in 2012, while nearly 102,000 youth were eligible and awaiting adoption at the end of 2012;

Whereas foster care is intended to be a temporary placement, but children remain in the foster care system for an average of 2 years;

Whereas ethnic minority children are more likely to stay in the foster care system for longer periods of time and are less likely to be reunited with their biological families;

Whereas foster parents are the front-line caregivers for children who cannot safely remain with their biological parents and provide physical care, emotional support, education advocacy, and are the largest single source of families providing permanent homes for children leaving foster care to adoption;

Whereas children in foster care who are placed with relatives, compared to children placed with nonrelatives, have more stability, including fewer changes in placements, have more positive perceptions of their placements, are more likely to be placed with their siblings, and demonstrate fewer behavioral problems;

Whereas some relative caregivers receive less financial assistance and support services than do foster caregivers;

Whereas recent studies show children in foster care are prescribed psychotropic medication at rates up to 11 times higher than other children on Medicaid and in amounts that exceed the Food and Drug Administration's guidelines;

Whereas youth in foster care are much more likely to face educational instability with 34 percent of foster youth ages 17 to 18 experiencing at least 7 changes while in care;

Whereas youth in foster care are often cut off from other youth and face hurdles in participating in activities common to their peers, such as sports or extracurricular activities;

Whereas youth in foster care are more susceptible to being trafficked, and more needs to be done to prevent, identify, and intervene when a child becomes a victim of the crime;

Whereas an increased emphasis on prevention and reunification services is necessary to reduce the number of children that are forced to remain in the foster care system;

Whereas more than 23,400 youth ''age out'' of foster care annually without a legal permanent connection to an adult or family;

Whereas children who age out of foster care lack the security or support of a biological or adoptive family and frequently struggle to secure affordable housing, obtain health insurance, pursue higher education, and acquire adequate employment;

Whereas nearly half of children in foster care for five or more years experience 7 or more different foster care placements, which often leads to disruption of routines and the need to change schools and move away from siblings, extended families, and familiar surroundings;

Whereas children entering foster care often confront the widespread misperception that children in foster care are disruptive, unruly, and dangerous, even though placement in foster care is based on the actions of a parent or guardian, not the child;

Whereas States, localities, and communities should be encouraged to invest resources in preventative and reunification services and post-permanency programs to ensure that more children in foster care are provided with safe, loving, and permanent placements;

Whereas Federal legislation over the past three decades, including the Adoption Assistance and Child Welfare Act of 1980 (Public Law 96–272), the Adoption and Safe Families Act of 1997 (Public Law 105–89), the Fostering Connections to Success and Increasing Adoptions Act of 2008 (Public Law 110–351), the Child and Family Services Improvement and Innovation Act (Public Law 112–34), and the Uninterrupted Scholars Act (Public Law 112–278) provided new investments and services to improve the outcomes of children in the foster care system;

Whereas the Children's Bureau of the Department of Health and Human Services has designated May as National Foster Care Month under the theme ''to help build blocks toward permanent families for foster youth'';

Whereas May would be an appropriate month to designate as National Foster Care Month to provide an opportunity to acknowledge the accomplishments of the child-welfare workforce, foster parents, advocacy community, and mentors for their dedication, accomplishments, and positive impact they have on the lives of children; and

Whereas much remains to be done to ensure that all children have a safe, loving, nurturing, and permanent family, regardless of age or special needs: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes National Foster Care Month as an opportunity to raise awareness about the challenges that children face in the foster-care system;

(2) encourages Congress to implement policy to improve the lives of children in the foster care system and maximize the number children exiting foster care to the protection of safe, loving, and permanent families;

(3) supports the designation of National Foster Care Month;

(4) acknowledges the unique needs of children in the foster-care system;

(5) recognizes foster youth throughout the United States for their ongoing tenacity, courage, and resilience while facing life challenges;

(6) acknowledges the exceptional alumni of the foster-care system who serve as advocates and role models for youth who remain in care;

(7) honors the commitment and dedication of the individuals who work tirelessly to provide assistance and services to children in the foster-care system; and

(8) reaffirms the need to continue working to improve the outcomes of all children in the foster-care system through parts B and E of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and other programs designed to—

(A) support vulnerable families;

(B) invest in prevention and reunification services;

(C) promote guardianship, adoption, and other permanent placement opportunities in cases where reunification is not in the best interests of the child;

(D) adequately serve those children brought into the foster-care system; and

(E) facilitate the successful transition into adulthood for children that ''age out'' of the foster-care system.

SENATE RESOLUTION 443—RECOGNIZING THE GOALS OF NATIONAL TRAVEL AND TOURISM WEEK AND HONORING THE VALUABLE CONTRIBUTIONS OF TRAVEL AND TOURISM TO THE UNITED STATES

Mr. BEGICH (for himself, Mr. KIRK, Mr. SCHATZ, Mr. SCOTT, Mr. WARNER, Ms. HIRONO, Mr. REID, Ms. KLOBUCHAR, Mrs. SHAHEEN, and Mr. HELLER) submitted the following resolution; which was considered and agreed to:

S. RES. 443

Whereas National Travel and Tourism Week was established in 1983 through the enactment of the Joint Resolution entitled ''Joint Resolution to designate the week beginning May 27, 1984, as 'National Tourism Week' '', approved November 29, 1983 (Public

Law 98–178; 97 Stat. 1126), which recognized the value of travel and tourism;

Whereas National Travel and Tourism Week is celebrated across the United States from May 3 through May 11, 2014;

Whereas more than 200 travel destinations throughout the United States are holding events in honor of National Travel and Tourism Week;

Whereas one out of every 9 jobs in the United States depends on travel and tourism and the industry supports more than 14,900,000 jobs in the United States, including 7,900,000 directly in the travel industry and 7,000,000 in related industries;

Whereas the travel and tourism industry is among the top 10 industries in 49 States and the District of Columbia in terms of employment;

Whereas international travel to the United States is the single largest export industry in the country, generating a trade surplus balance of $57,100,000,000 in 2013;

Whereas the travel and tourism industry, Congress, and the President have worked to streamline the visa process and make the United States welcoming to visitors from other countries;

Whereas travel and tourism provide significant economic benefits to the United States by generating $2,100,000,000,000 in annual economic output;

Whereas leisure travel allows individuals to experience the rich cultural heritage and educational opportunities of the United States and its communities; and

Whereas the immense value of travel and tourism cannot be overstated: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes May 3 through May 11, 2014, as National Travel and Tourism Week;

(2) commends the travel and tourism industry for its important contributions to the United States; and

(3) commends the employees of the travel and tourism industry for their important contributions to the United States.

SENATE RESOLUTION 444—RELATIVE TO THE DEATH OF HARLAN MATHEWS, FORMER UNITED STATES SENATOR FOR THE STATE OF TENNESSEE

Mr. ALEXANDER (for himself, Mr. CORKER, Mr. REID, Mr. MCCONNELL, Ms. AYOTTE, Ms. BALDWIN, Mr. BARRASSO, Mr. BEGICH, Mr. BENNET, Mr. BLUMENTHAL, Mr. BLUNT, Mr. BOOKER, Mr. BOOZMAN, Mrs. BOXER, Mr. BROWN, Mr. BURR, Ms. CANTWELL, Mr. CARDIN, Mr. CARPER, Mr. CASEY, Mr. CHAMBLISS, Mr. COATS, Mr. COBURN, Mr. COCHRAN, Ms. COLLINS, Mr. COONS, Mr. CORNYN, Mr. CRAPO, Mr. CRUZ, Mr. DONNELLY, Mr. DURBIN, Mr. ENZI, Mrs. FEINSTEIN, Mrs. FISCHER, Mr. FLAKE, Mr. FRANKEN, Mrs. GILLIBRAND, Mr. GRAHAM, Mr. GRASSLEY, Mrs. HAGAN, Mr. HARKIN, Mr. HATCH, Mr. HEINRICH, Ms. HEITKAMP, Mr. HELLER, Ms. HIRONO, Mr. HOEVEN, Mr. INHOFE, Mr. ISAKSON, Mr. JOHANNS, Mr. JOHNSON of Wisconsin, Mr. JOHNSON of South Dakota, Mr. KAINE, Mr. KING, Mr. KIRK, Ms. KLOBUCHAR, Ms. LANDRIEU, Mr. LEAHY, Mr. LEE, Mr. LEVIN, Mr. MANCHIN, Mr. MARKEY, Mr. MCCAIN, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. MERKLEY, Ms. MIKULSKI, Mr. MORAN, Ms. MURKOWSKI, Mr. MURPHY, Mrs. MURRAY, Mr. NELSON, Mr. PAUL, Mr. PORTMAN, Mr. PRYOR, Mr. REED, Mr. RISCH, Mr. ROBERTS, Mr. ROCKEFELLER, Mr. RUBIO, Mr. SANDERS, Mr. SCHATZ, Mr. SCHUMER, Mr. SCOTT, Mr. SESSIONS, Mrs. SHAHEEN, Mr. SHELBY, Ms. STABENOW, Mr. TESTER, Mr. THUNE, Mr. TOOMEY, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. VITTER, Mr. WALSH, Mr. WARNER, Ms. WARREN, Mr. WHITEHOUSE, Mr. WICKER, and Mr. WYDEN) submitted the following resolution; which was considered and agreed to:

S. RES. 444

Whereas Harlan Mathews served in the United States Navy during World War II from 1944 to 1946;

Whereas in 1950 Harlan Mathews began his career in public service by working as an advisor to Governor Gordon Browning, and between 1950 and 1987 would serve as a top advisor to four governors of the State of Tennessee;

Whereas Harlan Mathews also served as Tennessee's Commissioner of Finance, and in 1974 was elected State Treasurer by the Tennessee General Assembly;

Whereas in 1993, while serving as a Deputy Governor, Governor Ned McWherter appointed Harlan Mathews to the United States Senate to fill the vacancy caused by former Senator Al Gore being elected Vice President of the United States;

Whereas Harlan Mathews served on the Energy and Natural Resources and the Foreign Relations Committees;

Whereas during his tenure in the United States Senate, Harlan Mathews served with distinction and integrity, and worked to be a quiet force for good for those he represented; Now, therefore, be it

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Harlan Mathews, former member of the United States Senate.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the Honorable Harlan Mathews.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3056. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table.

SA 3057. Mr. THUNE submitted an amendment intended to be proposed by him to the bill H.R. 3474, supra; which was ordered to lie on the table.

SA 3058. Mr. THUNE submitted an amendment intended to be proposed by him to the bill H.R. 3474, supra; which was ordered to lie on the table.

SA 3059. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill H.R. 3474, supra; which was ordered to lie on the table.

SA 3060. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill H.R. 3474, supra; which was ordered to lie on the table.

SA 3061. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 3474, supra; which was ordered to lie on the table.

SA 3062. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 3474, supra; which was ordered to lie on the table.

SA 3063. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 3474, supra; which was ordered to lie on the table.

SA 3064. Mr. MORAN (for himself, Ms. HEITKAMP, Mr. THUNE, Mr. HEINRICH, Mr. BEGICH, Mr. INHOFE, Mr. BENNET, Ms. STABENOW, Mr. ENZI, Mr. HOEVEN, Mr. UDALL of New Mexico, Mr. JOHNSON of South Dakota, Mr. UDALL of Colorado, Mrs. MURRAY, Mr. CRAPO, Mr. TESTER, and Mr. WALSH) submitted an amendment intended to be proposed by him to the bill H.R. 3474, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 3056. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ___—OTHER PROVISIONS

SEC. _____. ELIMINATION OF TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) is amended to read as follows:

''(H) NONAPPLICATION OF TAXABLE INCOME LIMIT WITH RESPECT TO MARGINAL PRODUCTION.—The second sentence of subsection (a) of section 613 shall not apply to so much of the allowance for depletion as is determined under subparagraph (A) for any taxable year beginning after December 31, 2013, and before January 1, 2016.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2013.

(c) RESCISSION OF FUNDS.—The available unobligated balance of any amounts that are appropriated for fiscal year 2013 are rescinded, to the extent such amounts do not exceed the reduction in revenues to the Treasury by reason of the amendment made by subsection (a).

SA 3057. Mr. THUNE submitted an amendment intended to be proposed by him to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE __—OTHER PROVISIONS

SEC. __01. LONG-TERM UNEMPLOYED INDIVIDUALS NOT TAKEN INTO ACCOUNT FOR EMPLOYER HEALTH CARE COVERAGE MANDATE.

(a) IN GENERAL.—Paragraph (4) of section 4980H(c) is amended by adding at the end the following new subparagraph:

''(C) EXCEPTION FOR LONG-TERM UNEMPLOYED INDIVIDUALS.—

''(i) IN GENERAL.—The term 'full-time employee' shall not include any individual who is a long-term unemployed individual with respect to such employer.

''(ii) LONG-TERM UNEMPLOYED INDIVIDUAL.—For purposes of this subparagraph, the term 'long-term unemployed individual' means, with respect to any employer, an individual who—

''(I) begins employment with such employer after the date of the enactment of this subparagraph, and

''(II) has been unemployed for 27 weeks or longer, as determined by the Secretary of Labor, immediately before the date such employment begins.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months beginning after December 31, 2013.

SA 3058. Mr. THUNE submitted an amendment intended to be proposed by him to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE __—ELIMINATION OF PENALTY FOR FAILURE OF INDIVIDUALS TO MAINTAIN MINIMUM ESSENTIAL COVERAGE

SEC. __01. ELIMINATION OF PENALTY FOR FAILURE OF INDIVIDUALS TO MAINTAIN MINIMUM ESSENTIAL COVERAGE.

(a) IN GENERAL.—Section 5000A is amended by striking subsections (b), (c), and (g).

(b) CONFORMING AMENDMENT.—Section 5000A(e) is amended by striking ''No penalty shall be imposed under subsection (a) with respect to'' and inserting ''Subsection (a) shall not apply to''.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after December 31, 2013.

SA 3059. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ___—OTHER PROVISIONS

SEC. __01. POINT OF ORDER.

(a) IN GENERAL.—It shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, or conference report that authorizes States to require online remote sales tax collection.

(b) SUPERMAJORITY WAIVER AND APPEAL.—

(1) WAIVER.—This section may be waived or suspended in the Senate only by an affirmative vote of ⅗ of the Members, duly chosen and sworn.

(2) APPEAL.—An affirmative vote of ⅗ of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

SA 3060. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Expiring Provisions Improvement, Reform, and Efficiency Act of 2014'' or the ''EXPIRE Act of 2014''.

(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. 2. SENSE OF THE SENATE.

It is the sense of the Senate that—

(1) a process of comprehensive tax reform should commence in the 114th Congress and should conclude before January 1, 2016;

(2) Congress should endeavor, as part of such a tax reform process, to eliminate temporary provisions from the Internal Revenue Code of 1986 by making permanent those provisions that merit permanency and allowing others to expire;

(3) a major focus of such tax reform process should be fostering economic growth and lowering tax rates by broadening the tax base; and

(4) the chairman and ranking member of the Committee on Finance of the Senate should consult with the chairman and ranking member of the Committee on the Budget of the Senate to ensure that the appropriate baseline is used in determining the economic effects of, and rate adjustments under, tax reform.

TITLE I—EXTENSIONS AND MODIFICATIONS OF EXPIRED AND EXPIRING TAX PROVISIONS

Subtitle A—Provisions Expiring in 2013

PART I—INDIVIDUAL TAX EXTENDERS

SEC. 101. EXTENSION OF HEALTH CARE TAX CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 35(b)(1) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to coverage months beginning after December 31, 2013.

SEC. 102. EXTENSION OF DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) is amended by striking ''or 2013'' and inserting ''2013, 2014, or 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 103. EXTENSION OF EXCLUSION FROM GROSS INCOME OF DISCHARGE OF QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS.

(a) IN GENERAL.—Subparagraph (E) of section 108(a)(1) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to indebtedness discharged after December 31, 2013.

SEC. 104. EXTENSION OF PARITY AND MODIFICATION OF EXCLUSION FROM INCOME FOR EMPLOYER-PROVIDED MASS TRANSIT AND PARKING BENEFITS.

(a) EXTENSION.—

(1) IN GENERAL.—Paragraph (2) of section 132(f) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to months after December 31, 2013.

(b) USE OF A BIKE SHARE PROGRAM AS A QUALIFIED TRANSPORTATION FRINGE.—

(1) IN GENERAL.—Section 132(f)(5)(F) is amended—

(A) in clause (i), by striking ''repair, and storage, if such bicycle'' and inserting ''repair, and storage (or use of a bike sharing program, in the case of taxable years beginning before January 1, 2016), if such bicycle or bike sharing program'', and

(B) in clause (iii)(I), by inserting ''or bike sharing program'' after ''bicycle''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2013.

SEC. 105. EXTENSION OF MORTGAGE INSURANCE PREMIUMS TREATED AS QUALIFIED RESIDENCE INTEREST.

(a) IN GENERAL.—Subclause (I) of section 163(h)(3)(E)(iv) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or accrued after December 31, 2013.

SEC. 106. EXTENSION OF DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 107. EXTENSION OF SPECIAL RULE FOR CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Clause (vi) of section 170(b)(1)(E) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) CONTRIBUTIONS BY CERTAIN CORPORATE FARMERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2013.

SEC. 108. EXTENSION OF ABOVE-THE-LINE DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 109. EXTENSION OF TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2013.

PART II—BUSINESS TAX EXTENDERS

SEC. 111. EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Paragraph (1) of section 41(h) is amended by striking ''paid or incurred'' and all that follows and inserting ''paid or incurred after December 31, 2015.''.

(2) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) is amended to read as follows:

''(D) SPECIAL RULE.—If section 41 is not in effect for any period, such section shall be deemed to remain in effect for such period for purposes of this paragraph.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2013.

(b) TREATMENT OF RESEARCH CREDIT FOR CERTAIN STARTUP COMPANIES.—

(1) IN GENERAL.—Section 41 is amended by adding at the end the following new subsection:

''(i) TREATMENT OF CREDIT FOR QUALIFIED SMALL BUSINESSES.—

''(1) IN GENERAL.—At the election of a qualified small business for any taxable year, section 3111(f) shall apply to the payroll tax credit portion of the credit otherwise determined under subsection (a) for the taxable year and such portion shall not be treated (other than for purposes of section 280C) as a credit determined under subsection (a).

''(2) PAYROLL TAX CREDIT PORTION.—For purposes of this subsection, the payroll tax credit portion of the credit determined under subsection (a) with respect to any qualified small business for any taxable year is the least of—

''(A) the amount specified in the election made under this subsection,

''(B) the credit determined under subsection (a) for the taxable year (determined before the application of this subsection), or

''(C) in the case of a qualified small business other than a partnership or S corporation, the amount of the business credit carryforward under section 39 carried from the taxable year (determined before the application of this subsection to the taxable year).

''(3) QUALIFIED SMALL BUSINESS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified small business' means, with respect to any taxable year—

''(i) a corporation or partnership, if—

''(I) the gross receipts (as determined under the rules of section 448(c)(3), without regard to subparagraph (A) thereof) of such entity for the taxable year is less than $5,000,000, and

''(II) such entity did not have gross receipts (as so determined) for any taxable year preceding the 5-taxable-year period ending with such taxable year, and

''(ii) any person (other than a corporation or partnership) who meets the requirements of subclauses (I) and (II) of clause (i), determined—

''(I) by substituting 'person' for 'entity' each place it appears, and

''(II) by only taking into account the aggregate gross receipts received by such person in carrying on all trades or businesses of such person.

''(B) LIMITATION.—Such term shall not include an organization which is exempt from taxation under section 501.

''(4) ELECTION.—

''(A) IN GENERAL.—Any election under this subsection for any taxable year—

''(i) shall specify the amount of the credit to which such election applies,

''(ii) shall be made on or before the due date (including extensions) of—

''(I) in the case of a qualified small business which is a partnership, the return required to be filed under section 6031,

''(II) in the case of a qualified small business which is an S corporation, the return required to be filed under section 6037, and

''(III) in the case of any other qualified small business, the return of tax for the taxable year, and

''(iii) may be revoked only with the consent of the Secretary.

''(B) LIMITATIONS.—

''(i) AMOUNT.—The amount specified in any election made under this subsection shall not exceed $250,000.

''(ii) NUMBER OF TAXABLE YEARS.—A person may not make an election under this subsection if such person (or any other person treated as a single taxpayer with such person under paragraph (5)(A)) has made an election under this subsection for 5 or more preceding taxable years.

''(C) SPECIAL RULE FOR PARTNERSHIPS AND S CORPORATIONS.—In the case of a qualified small business which is a partnership or S corporation, the election made under this subsection shall be made at the entity level.

''(5) AGGREGATION RULES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), all persons or entities treated as a single taxpayer under subsection (f)(1) shall be treated as a single taxpayer for purposes of this subsection.

''(B) SPECIAL RULES.—For purposes of this subsection and section 3111(f)—

''(i) each of the persons treated as a single taxpayer under subparagraph (A) may separately make the election under paragraph (1) for any taxable year, and

''(ii) the $250,000 amount under paragraph (4)(B)(i) shall be allocated among all persons treated as a single taxpayer under subparagraph (A) in the same manner as under subparagraph (A)(ii) or (B)(ii) of subsection (f)(1), whichever is applicable.

''(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including—

''(A) regulations to prevent the avoidance of the purposes of the limitations and aggregation rules under this subsection through the use of successor companies or other means,

''(B) regulations to minimize compliance and record-keeping burdens under this subsection, and

''(C) regulations for recapturing the benefit of credits determined under section 3111(f) in cases where there is a subsequent adjustment to the payroll tax credit portion of the credit determined under subsection (a), including requiring amended income tax returns in the cases where there is such an adjustment.''.

(2) CREDIT ALLOWED AGAINST FICA TAXES.—Section 3111 is amended by adding at the end the following new subsection:

''(f) CREDIT FOR RESEARCH EXPENDITURES OF QUALIFIED SMALL BUSINESSES.—

''(1) IN GENERAL.—In the case of a taxpayer who has made an election under section 41(i) for a taxable year, there shall be allowed as a credit against the tax imposed by subsection (a) for the first calendar quarter which begins after the date on which the taxpayer files the return specified in section 41(i)(4)(A)(ii) an amount equal to the payroll tax credit portion determined under section 41(i)(2).

''(2) LIMITATION.—The credit allowed by paragraph (1) shall not exceed the tax imposed by subsection (a) for any calendar quarter on the wages paid with respect to the employment of all individuals in the employ of the employer.

''(3) CARRYOVER OF UNUSED CREDIT.—If the amount of the credit under paragraph (1) exceeds the limitation of paragraph (2) for any calendar quarter, such excess shall be carried to the succeeding calendar quarter and allowed as a credit under paragraph (1) for such quarter.

''(4) DEDUCTION ALLOWED FOR CREDITED AMOUNTS.—The credit allowed under paragraph (1) shall not be taken into account for purposes of determining the amount of any deduction allowed under chapter 1 for taxes imposed under subsection (a).''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to credits determined for taxable years beginning after December 31, 2013.

(c) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Subparagraph (B) of section 38(c)(4) is amended—

(A) by redesignating clauses (ii), (iii), (iv), (v), (vi), (vii), (viii), and (ix) as clauses (iii), (iv), (v), (vi), (vii), (viii), (ix), and (x), respectively, and

(B) by inserting after clause (i) the following new clause:

''(ii) the credit determined under section 41 with respect to an eligible small business (as defined in paragraph (5)(C), after application of rules similar to the rules of paragraph (5)(D)),''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to credits determined for taxable years beginning after December 31, 2013, and to carrybacks of such credits.

SEC. 112. EXTENSION AND MODIFICATION OF TEMPORARY MINIMUM LOW-INCOME HOUSING TAX CREDIT RATE FOR NON-FEDERALLY SUBSIDIZED BUILDINGS.

(a) IN GENERAL.—Subparagraph (A) of section 42(b)(2) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) TEMPORARY MINIMUM CREDIT RATE FOR NON-FEDERALLY SUBSIDIZED EXISTING BUILDINGS.—Subsection (b) of section 42 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) TEMPORARY MINIMUM CREDIT RATE FOR NON-FEDERALLY SUBSIDIZED EXISTING BUILDINGS.—In the case of any existing building—

''(A) which is placed in service by the taxpayer after the date of the enactment of the EXPIRE Act of 2014 with respect to housing credit dollar amount allocations made before January 1, 2016, and

''(B) which is not federally subsidized for the taxable year,

the applicable percentage shall not be less than 4 percent.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2014.

SEC. 113. EXTENSION OF MILITARY HOUSING ALLOWANCE EXCLUSION FOR DETERMINING WHETHER A TENANT IN CERTAIN COUNTIES IS LOW-INCOME.

(a) IN GENERAL.—Subsection (b) of section 3005 of the Housing Assistance Tax Act of 2008 is amended by striking ''January 1, 2014'' each place it appears and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of section 3005 of the Housing Assistance Tax Act of 2008.

SEC. 114. EXTENSION OF INDIAN EMPLOYMENT TAX CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45A is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 115. EXTENSION AND MODIFICATION OF NEW MARKETS TAX CREDIT.

(a) IN GENERAL.—Subparagraph (G) of section 45D(f)(1) is amended by striking ''and 2013'' and inserting ''2013, 2014, and 2015''.

(b) CARRYOVER OF UNUSED LIMITATION.—Paragraph (3) of section 45D(f) is amended by striking ''2018'' and inserting ''2020''.

(c) ALLOCATIONS DESIGNATED FOR AREAS IMPACTED BY DECLINE IN MANUFACTURING.—Paragraph (3) of section 45D(f), as amended by subsection (b), is amended—

(1) by striking ''If the new markets tax credit limitation'' and inserting the following:

''(A) IN GENERAL.—If the new markets tax credit limitation'',

(2) by striking ''No'' in the last sentence and inserting ''Except as provided in subparagraph (B), no'', and

(3) by adding at the end, the following new subparagraph:

''(B) CERTAIN AMOUNTS AVAILABLE FOR AREAS IMPACTED BY DECLINE IN MANUFACTURING.—Any amount carried to a calendar year after the year described in the second sentence of subparagraph (A) shall be available only for allocation to qualified community development entities a significant mission of which is providing investments and services to persons in the trade or business of manufacturing products in communities which have suffered major manufacturing job losses or a major manufacturing job loss event, as designated by the Secretary.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after December 31, 2013.

SEC. 116. EXTENSION OF RAILROAD TRACK MAINTENANCE CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45G is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred in taxable years beginning after December 31, 2013.

SEC. 117. EXTENSION OF MINE RESCUE TEAM TRAINING CREDIT.

(a) IN GENERAL.—Subsection (e) of section 45N is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 118. EXTENSION AND MODIFICATION OF EMPLOYER WAGE CREDIT FOR EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

(a) IN GENERAL.—Subsection (f) of section 45P is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) APPLICABILITY TO ALL EMPLOYERS.—

(1) IN GENERAL.—Subsection (a) of section 45P is amended by striking '', in the case of an eligible small business employer''.

(2) CONFORMING AMENDMENT.—Paragraph (3) of section 45P(b) is amended to read as follows:

''(3) CONTROLLED GROUPS.—All persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as a single employer.''.

(c) EXPANSION TO 100 PERCENT OF ELIGIBLE DIFFERENTIAL WAGE PAYMENTS.—Subsection (a) of section 45P is amended by striking ''20 percent of the sum'' and inserting ''the sum''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made after December 31, 2013.

SEC. 119. EXTENSION AND MODIFICATION OF WORK OPPORTUNITY TAX CREDIT.

(a) IN GENERAL.—Paragraph (4) of section 51(c) is amended by striking ''for the employer'' and all that follows and inserting ''for the employer after December 31, 2015''.

(b) CREDIT FOR HIRING LONG-TERM UNEMPLOYMENT RECIPIENTS.—

(1) IN GENERAL.—Paragraph (1) of section 51(d) is amended by striking ''or'' at the end of subparagraph (H), by striking the period at the end of subparagraph (I) and inserting '', or'', and by adding at the end the following new subparagraph:

''(J) a qualified long-term unemployment recipient.''.

(2) QUALIFIED LONG-TERM UNEMPLOYMENT RECIPIENT.—Subsection (d) of section 51 is amended by adding at the end the following new paragraph:

''(15) QUALIFIED LONG-TERM UNEMPLOYMENT RECIPIENT.—The term 'qualified long-term unemployment recipient' means any individual who is certified by the designated local agency as being in a period of unemployment which—

''(A) is not less than 27 consecutive weeks, and

''(B) includes a period in which the individual was receiving unemployment compensation under State or Federal law.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after December 31, 2013.

SEC. 120. EXTENSION AND MODIFICATION OF QUALIFIED ZONE ACADEMY BONDS.

(a) EXTENSION.—Paragraph (1) of section 54E(c) is amended by striking ''and 2013'' and inserting ''2013, 2014, and 2015''.

(b) REDUCTION OF PRIVATE BUSINESS CONTRIBUTION REQUIREMENT.—Subsection (b) of section 54E is amended by striking ''10 percent'' and inserting ''5 percent''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to obligations issued after December 31, 2013.

(d) TECHNICAL CORRECTION AND CONFORMING AMENDMENT.—

(1) IN GENERAL.—Clause (iii) of section 6431(f)(3)(A) is amended—

(A) by striking ''2011'' and inserting ''years after 2010'', and

(B) by striking ''of such allocation'' and inserting ''of any such allocation''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in section 310 of the American Taxpayer Relief Act of 2012.

SEC. 121. EXTENSION OF CLASSIFICATION OF CERTAIN RACE HORSES AS 3-YEAR PROPERTY.

(a) IN GENERAL.—Clause (i) of section 168(e)(3)(A) is amended—

(1) by striking ''January 1, 2014'' in subclause (I) and inserting ''January 1, 2016'', and

(2) by striking ''December 31, 2013'' in subclause (II) and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2013.

SEC. 122. EXTENSION OF 15-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS, QUALIFIED RESTAURANT BUILDINGS AND IMPROVEMENTS, AND QUALIFIED RETAIL IMPROVEMENTS.

(a) IN GENERAL.—Clauses (iv), (v), and (ix) of section 168(e)(3)(E) are each amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2013.

SEC. 123. EXTENSION OF 7-YEAR RECOVERY PERIOD FOR MOTORSPORTS ENTERTAINMENT COMPLEXES.

(a) IN GENERAL.—Subparagraph (D) of section 168(i)(15) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2013.

SEC. 124. EXTENSION OF ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON AN INDIAN RESERVATION.

(a) IN GENERAL.—Paragraph (8) of section 168(j) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2013.

SEC. 125. EXTENSION OF BONUS DEPRECIATION.

(a) IN GENERAL.—Paragraph (2) of section 168(k) is amended—

(1) by striking ''January 1, 2015'' in subparagraph (A)(iv) and inserting ''January 1, 2017'', and

(2) by striking ''January 1, 2014'' each place it appears and inserting ''January 1, 2016''.

(b) SPECIAL RULE FOR FEDERAL LONG-TERM CONTRACTS.—Clause (ii) of section 460(c)(6)(B) is amended by striking ''January 1, 2014 (January 1, 2015'' and inserting ''January 1, 2016 (January 1, 2017''.

(c) EXTENSION OF ELECTION TO ACCELERATE THE AMT CREDIT IN LIEU OF BONUS DEPRECIATION.—

(1) IN GENERAL.—Subclause (II) of section 168(k)(4)(D)(iii) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(2) ROUND 4 EXTENSION PROPERTY.—Paragraph (4) of section 168(k) is amended by adding at the end the following new subparagraph:

''(K) SPECIAL RULES FOR ROUND 4 EXTENSION PROPERTY.—

''(i) IN GENERAL.—In the case of round 4 extension property, in applying this paragraph to any taxpayer—

''(I) the limitation described in subparagraph (B)(i) and the business credit increase amount under subparagraph (E)(iii) thereof shall not apply, and

''(II) the bonus depreciation amount, maximum amount, and maximum increase amount shall be computed separately from amounts computed with respect to eligible qualified property which is not round 4 extension property, and, in the case of round 4 extension property, shall be computed separately with respect to round 4 extension property placed in service before January 1, 2015 (January 1, 2016, in the case of property described in subparagraph (B) or (C) of paragraph (2)) and with respect to other round 4 extension property.

''(ii) ELECTION.—

''(I) A taxpayer who has an election in effect under this paragraph for round 3 extension property shall be treated as having an election in effect for round 4 extension property unless the taxpayer elects to not have this paragraph apply to round 4 extension property.

''(II) A taxpayer who does not have an election in effect under this paragraph for round 3 extension property may elect to have this paragraph apply to round 4 extension property.

''(iii) ROUND 4 EXTENSION PROPERTY.—For purposes of this subparagraph, the term 'round 4 extension property' means property which is eligible qualified property solely by reason of the extension of the application of the special allowance under paragraph (1) pursuant to the amendments made by section 125(a) of the EXPIRE Act of 2014 (and the application of such extension to this paragraph pursuant to the amendment made by section 125(c) of such Act).''.

(d) CONFORMING AMENDMENTS.—

(1) The heading for subsection (k) of section 168 is amended by striking ''JANUARY 1, 2014'' and inserting ''JANUARY 1, 2016''.

(2) The heading for clause (ii) of section 168(k)(2)(B) is amended by striking ''PRE-JANUARY 1, 2014'' and inserting ''PRE-JANUARY 1, 2016''.

(3) Subparagraph (C) of section 168(n)(2) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(4) Subparagraph (D) of section 1400L(b)(2) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(5) Subparagraph (B) of section 1400N(d)(3) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(e) TECHNICAL AMENDMENT RELATING TO SECTION 331 OF THE AMERICAN TAXPAYER RELIEF ACT OF 2012.—

(1) IN GENERAL.—Clause (iii) of section 168(k)(4)(J) is amended by striking ''any taxable year'' and inserting ''its first taxable year''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the provision of the American Taxpayer Relief Act of 2012 to which it relates.

(f) EFFECTIVE DATE.—Except as provided in subsection (e)(2), the amendments made by this section shall apply to property placed in service after December 31, 2013, in taxable years ending after such date.

SEC. 126. EXTENSION OF ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(C) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2013.

SEC. 127. EXTENSION AND MODIFICATION 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 ''beginning in 2010, 2011, 2012, or 2013'' in subparagraph (B) and inserting ''beginning after 2009 and before 2016'', and

(B) by striking ''2013'' in subparagraph (C) and inserting ''2015''.

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

(A) by striking ''beginning in 2010, 2011, 2012, or 2013'' in subparagraph (B) and inserting ''beginning after 2009 and before 2016'', and

(B) by striking ''2013'' in subparagraph (C) and inserting ''2015''.

(b) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking ''2014'' and inserting ''2016''.

(c) ELECTION.—Section 179(c)(2) is amended by striking ''2014'' and inserting ''2016''.

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

(1) IN GENERAL.—Section 179(f)(1) is amended by striking ''beginning in 2010, 2011, 2012, or 2013'' and inserting ''beginning after 2009 and before 2016''.

(2) CARRYOVER LIMITATION.—

(A) IN GENERAL.—Section 179(f)(4) is amended by striking ''2013'' each place it appears and inserting ''2015''.

(B) CONFORMING AMENDMENT.—The heading of subparagraph (C) of section 179(f)(4) is amended by striking ''2011 AND 2012'' and inserting ''2011, 2012, 2013, AND 2014''.

(e) ADJUSTMENT FOR INFLATION.—Subsection (b) of section 179 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(6) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning after 2013, the $500,000 amount in paragraph (1)(B) and the $2,000,000 amount in paragraph (2)(B) shall each be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2012' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—

''(i) DOLLAR LIMITATION.—If the amount in paragraph (1)(B) as increased under subparagraph (A) is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.

''(ii) PHASEOUT AMOUNT.—If the amount in paragraph (2)(B) as increased under subparagraph (A) is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 128. EXTENSION OF ELECTION TO EXPENSE MINE SAFETY EQUIPMENT.

(a) IN GENERAL.—Subsection (g) of section 179E is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2013.

SEC. 129. EXTENSION OF SPECIAL EXPENSING RULES FOR CERTAIN FILM AND TELEVISION PRODUCTIONS; SPECIAL EXPENSING FOR LIVE THEATRICAL PRODUCTIONS.

(a) IN GENERAL.—Subsection (f) of section 181 is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) APPLICATION TO LIVE PRODUCTIONS.—

(1) IN GENERAL.—Paragraph (1) of section 181(a) is amended by inserting '', and any qualified live theatrical production,'' after ''any qualified film or television production''.

(2) CONFORMING AMENDMENTS.—Section 181 is amended—

(A) by inserting ''or any qualified live theatrical production'' after ''qualified film or television production'' each place it appears in subsections (a)(2), (b), and (c)(1),

(B) by inserting ''or qualified live theatrical productions'' after ''qualified film or television productions'' in subsection (f), and

(C) by inserting ''**AND LIVE THEATRICAL**'' after ''**FILM AND TELEVISION**'' in the heading.

(3) CLERICAL AMENDMENT.—The item relating to section 181 in the table of sections for part VI of subchapter B of chapter 1 is amended to read as follows:

''Sec. 181. Treatment of certain qualified film and television and live theatrical productions.''.

(c) QUALIFIED LIVE THEATRICAL PRODUCTION.—Section 181 is amended—

(1) by redesignating subsections (e) and (f), as amended by subsections (a) and (b), as subsections (f) and (g), respectively, and

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

''(e) QUALIFIED LIVE THEATRICAL PRODUCTION.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified live theatrical production' means any production described in paragraph (2) if 75 percent of the total compensation of the production is qualified compensation (as defined in subsection (d)(3)).

''(2) PRODUCTION.—

''(A) IN GENERAL.—A production is described in this paragraph if such production is a live staged production of a play (with or without music) which is derived from a written book or script and is produced or presented by a taxable entity in any venue which has an audience capacity of not more than 3,000 or a series of venues the majority of which have an audience capacity of not more than 3,000.

''(B) TOURING COMPANIES, ETC.—In the case of multiple live staged productions—

''(i) for which the election under this section would be allowable to the same taxpayer, and

''(ii) which are—

''(I) separate phases of a production, or

''(II) separate simultaneous stagings of the same production in different geographical locations (not including multiple performance locations of any one touring production),

each such live staged production shall be treated as a separate production.

''(C) PHASE.—For purposes of subparagraph (B), the term 'phase' with respect to any qualified live theatrical production refers to each of the following, but only if each of the following is treated by the taxpayer as a separate activity for all purposes of this title:

''(i) The initial staging of a live theatrical production.

''(ii) Subsequent additional stagings or touring of such production which are produced by the same producer as the initial staging.

''(D) EXCEPTION.—A production is not described in this paragraph if such production includes or consists of any performance of conduct described in section 2257(h)(1) of title 18, United States Code.''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to productions commencing after December 31, 2013.

(2) COMMENCEMENT.—For purposes of paragraph (1), the date on which a qualified live theatrical production commences is the date of the first public performance of such production for a paying audience.

SEC. 130. EXTENSION OF DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

(a) IN GENERAL.—Subparagraph (C) of section 199(d)(8) is amended—

(1) by striking ''first 8 taxable years'' and inserting ''first 10 taxable years'', and

(2) by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 131. EXTENSION OF MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Clause (iv) of section 512(b)(13)(E) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments received or accrued after December 31, 2013.

SEC. 132. EXTENSION OF TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) IN GENERAL.—Paragraphs (1)(C)(v) and (2)(C)(v) of section 871(k) are each amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 133. EXTENSION OF RIC QUALIFIED INVESTMENT ENTITY TREATMENT UNDER FIRPTA.

(a) IN GENERAL.—Clause (ii) of section 897(h)(4)(A) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall take effect on January 1, 2014. Notwithstanding the preceding sentence, such amendment shall not apply with respect to the withholding requirement under section 1445 of the Internal Revenue Code of 1986 for any payment made before the date of the enactment of this Act.

(2) AMOUNTS WITHHELD ON OR BEFORE DATE OF ENACTMENT.—In the case of a regulated investment company—

(A) which makes a distribution after December 31, 2013, and before the date of the enactment of this Act, and

(B) which would (but for the second sentence of paragraph (1)) have been required to withhold with respect to such distribution under section 1445 of such Code,

such investment company shall not be liable to any person to whom such distribution was made for any amount so withheld and paid over to the Secretary of the Treasury.

SEC. 134. EXTENSION OF SUBPART F EXCEPTION FOR ACTIVE FINANCING INCOME.

(a) EXEMPT INSURANCE INCOME.—Paragraph (10) of section 953(e) is amended—

(1) by striking ''January 1, 2014'' and inserting ''January 1, 2016'', and

(2) by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) SPECIAL RULE FOR INCOME DERIVED IN THE ACTIVE CONDUCT OF BANKING, FINANCING, OR SIMILAR BUSINESSES.—Paragraph (9) of section 954(h) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2013, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 135. EXTENSION OF LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY RULES.

(a) IN GENERAL.—Subparagraph (C) of section 954(c)(6) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2013, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 136. 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, 2014'' and inserting ''January 1, 2016'', and

(2) by striking ''AND 2013'' in the heading and inserting ''2013, 2014, AND 2015''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after December 31, 2013.

SEC. 137. EXTENSION OF BASIS ADJUSTMENT TO STOCK OF S CORPORATIONS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 1367(a) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2013.

SEC. 138. EXTENSION OF REDUCTION IN S-CORPORATION RECOGNITION PERIOD FOR BUILT-IN GAINS TAX.

(a) IN GENERAL.—Subparagraph (C) of section 1374(d)(7) is amended—

(1) by striking ''2012 or 2013'' and inserting ''2012, 2013, 2014, or 2015'', and

(2) by striking ''2012 AND 2013'' in the heading and inserting ''2012, 2013, 2014, AND 2015''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 139. EXTENSION OF EMPOWERMENT ZONE TAX INCENTIVES.

(a) IN GENERAL.—Clause (i) of section 1391(d)(1)(A) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.—In the case of a designation of an empowerment zone the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A)(i) of section 1391(d)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation if, after the date of the enactment of this section, the entity which made such nomination amends the nomination to provide for a new termination date in such manner as the Secretary of the Treasury (or the Secretary's designee) may provide.

(c) TECHNICAL AMENDMENTS RELATING TO SECTION 753 OF THE TAX RELIEF, UNEMPLOYMENT INSURANCE REAUTHORIZATION, AND JOB CREATION ACT OF 2010; EXTENSION OF NONRECOGNITION OF GAIN ON ROLLOVER OF EMPOWERMENT ZONE INVESTMENTS.—Subparagraph (A) of section 1397B(b)(1) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) 'January 1, 2016' were substituted for 'January 1, 2010' each place it appears.''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to periods after December 31, 2013.

(2) TECHNICAL AMENDMENTS.—The amendments made by subsection (c) shall take effect as if included in section 753 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010.

SEC. 140. EXTENSION OF TEMPORARY INCREASE IN LIMIT ON COVER OVER OF RUM EXCISE TAXES TO PUERTO RICO AND THE VIRGIN ISLANDS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2013.

SEC. 141. EXTENSION OF AMERICAN SAMOA ECONOMIC DEVELOPMENT CREDIT.

(a) IN GENERAL.—Subsection (d) of section 119 of division A of the Tax Relief and Health Care Act of 2006 is amended—

(1) by striking ''January 1, 2014'' each place it appears and inserting ''January 1, 2016'',

(2) by striking ''first 8 taxable years'' in paragraph (1) and inserting ''first 10 taxable years'', and

(3) by striking ''first 2 taxable years'' in paragraph (2) and inserting ''first 4 taxable years''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

PART III—ENERGY TAX EXTENDERS

SEC. 151. EXTENSION AND MODIFICATION OF CREDIT FOR NONBUSINESS ENERGY PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 25C(g) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) UPDATED ENERGY STAR REQUIREMENTS FOR WINDOWS, DOORS, SKYLIGHTS, AND ROOFING.—

(1) IN GENERAL.—Paragraph (1) of section 25C(c) is amended by striking ''which meets'' and all that follows through ''requirements)''.

(2) ENERGY EFFICIENT BUILDING ENVELOPE COMPONENT.—Subsection (c) of section 25C is amended by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting after paragraph (1) the following new paragraph:

''(2) ENERGY EFFICIENT BUILDING ENVELOPE COMPONENT.—The term 'energy efficient building envelope component' means a building envelope component which meets—

''(A) applicable Energy Star program requirements, in the case of a roof or roof products,

''(B) version 6.0 Energy Star program requirements, in the case of an exterior window, a skylight, or an exterior door, and

''(C) the prescriptive criteria for such component established by the 2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009, in the case of any other component.''.

(3) CONFORMING AMENDMENT.—Subparagraph (D) of section 25C(c)(3), as so redesignated, is amended to read as follows:

''(D) any roof or roof products which are installed on a dwelling unit and are specifically and primarily designed to reduce the heat gain of such dwelling unit.''.

(c) SEPARATE STANDARDS FOR TANKLESS AND STORAGE WATER HEATERS.—

(1) IN GENERAL.—Subparagraph (D) of section 25C(d)(3) is amended by striking ''which has either'' and all that follows and inserting ''which has either—

''(i) in the case of a storage water heater, an energy factor of at least 0.80 or a thermal efficiency of at least 90 percent, and

''(ii) in the case of any other water heater, an energy factor of at least 0.90 or a thermal efficiency of at least 90 percent, and''.

(2) STORAGE WATER HEATERS.—Paragraph (3) of section 25C(d) is amended by adding at the end the following flush sentence:

''For purposes of subparagraph (D)(i), the term 'storage water heater' means a water heater that has a water storage capacity of more than 20 gallons but not more than 55 gallons.''.

(d) MODIFICATION OF TESTING STANDARDS FOR BIOMASS STOVES.—Subparagraph (E) of section 25C(d)(3) is amended by inserting before the period the following: '', when tested using the higher heating value of the fuel and in accordance with the Canadian Standards Administration B415.1 test protocol''.

(e) SEPARATE STANDARD FOR OIL HOT WATER BOILERS.—Paragraph (4) of section 25C(d) is amended by striking ''95'' and inserting ''95 (90 in the case of an oil hot water boiler)''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2013.

SEC. 152. EXTENSION OF CREDIT FOR 2-WHEELED PLUG-IN ELECTRIC VEHICLES.

(a) IN GENERAL.—Subparagraph (E) of section 30D(g)(3) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2014 (January 1, 2016, in the case of a vehicle that has 2 wheels).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to vehicles acquired after December 31, 2013.

SEC. 153. EXTENSION OF SECOND GENERATION BIOFUEL PRODUCER CREDIT.

(a) IN GENERAL.—Clause (i) of section 40(b)(6)(J) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendment made by this subsection shall apply to qualified second generation biofuel production after December 31, 2013.

SEC. 154. EXTENSION OF INCENTIVES FOR BIODIESEL AND RENEWABLE DIESEL.

(a) CREDITS FOR BIODIESEL AND RENEWABLE DIESEL USED AS FUEL.—Subsection (g) of section 40A is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to fuel sold or used after December 31, 2013.

SEC. 155. EXTENSION AND MODIFICATION OF PRODUCTION CREDIT FOR INDIAN COAL FACILITIES PLACED IN SERVICE BEFORE 2009.

(a) IN GENERAL.—Subparagraph (A) of section 45(e)(10) is amended by striking ''8-year period'' each place it appears and inserting ''10-year period''.

(b) APPLICATION TO NEW LEASES OR SUBLEASES.—Paragraph (10) of section 45(d) is amended by inserting before the period the following: '', and any new lease or sublease of such a facility''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to coal produced after December 31, 2013.

SEC. 156. EXTENSION OF CREDITS WITH RESPECT TO FACILITIES PRODUCING ENERGY FROM CERTAIN RENEWABLE RESOURCES.

(a) IN GENERAL.—The following provisions of section 45(d) are each amended by striking ''January 1, 2014'' each place it appears and inserting ''January 1, 2016'':

(1) Paragraph (1).
(2) Paragraph (2)(A).
(3) Paragraph (3)(A).
(4) Paragraph (4)(B).
(5) Paragraph (6).
(6) Paragraph (7).
(7) Paragraph (9).
(8) Paragraph (11)(B).

(b) EXTENSION OF ELECTION TO TREAT QUALIFIED FACILITIES AS ENERGY PROPERTY.—Clause (ii) of section 48(a)(5)(C) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(c) EFFECTIVE DATES.—The amendments made by this section shall take effect on January 1, 2014.

SEC. 157. EXTENSION OF CREDIT FOR ENERGY-EFFICIENT NEW HOMES.

(a) IN GENERAL.—Subsection (g) of section 45L is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to homes acquired after December 31, 2013.

SEC. 158. EXTENSION OF SPECIAL ALLOWANCE FOR SECOND GENERATION BIOFUEL PLANT PROPERTY.

(a) IN GENERAL.—Subparagraph (D) of section 168(l)(2) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2013.

SEC. 159. EXTENSION AND MODIFICATION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.

(a) IN GENERAL.—Subsection (h) of section 179D is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) ALLOCATIONS TO INDIAN TRIBAL GOVERNMENTS.—Paragraph (4) of section 179D(d) is amended by striking ''or local'' and inserting ''local, or Indian tribal''.

(c) ALLOCATIONS TO CERTAIN NONPROFIT ORGANIZATIONS.—

(1) IN GENERAL.—Paragraph (4) of section 179D(d), as amended by subsection (b), is amended by inserting '', or by an organization that is described in section 501(c)(3) and exempt from tax under section 501(a)'' after ''political subdivision thereof''.

(2) CLERICAL AMENDMENT.—The heading of paragraph (4) of section 179D(d) is amended by inserting ''AND PROPERTY HELD BY CERTAIN NON-PROFITS'' after ''PUBLIC PROPERTY''.

(d) UPDATED ASHRAE STANDARDS FOR 2015.—

(1) IN GENERAL.—Paragraph (1) of section 179D(c) is amended by striking ''Standard 90.1-2001'' each place it appears and inserting ''Standard 90.1-2007''.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (2) of section 179D(c) is amended to read as follows:

''(2) STANDARD 90.1-2007.—The term 'Standard 90.1-2007' means Standard 90.1-2007 of the American Society of Heating, Refrigerating, and Air Conditioning Engineers and the Illuminating Engineering Society of North America (as in effect on the day before the date of the adoption of Standard 90.1-2010 of such Societies).''.

(B) Subsection (f) of section 179D is amended by striking ''Standard 90.1-2001'' each place it appears in paragraphs (1) and (2)(C)(i) and inserting ''Standard 90.1-2007''.

(C) Paragraph (1) of section 179D(f) is amended—

(i) by striking ''Table 9.3.1.1'' and inserting ''Table 9.5.1'', and

(ii) by striking ''Table 9.3.1.2'' and inserting ''Table 9.6.1''.

(3) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to property placed in service after December 31, 2014.

(e) EFFECTIVE DATE.—Except as provided in subsection (d)(3), the amendments made by this section shall apply to property placed in service after December 31, 2013.

SEC. 160. EXTENSION OF SPECIAL RULE FOR SALES OR DISPOSITIONS TO IMPLEMENT FERC OR STATE ELECTRIC RESTRUCTURING POLICY FOR QUALIFIED ELECTRIC UTILITIES.

(a) IN GENERAL.—Paragraph (3) of section 451(i) is amended by striking ''January 1, 2014'' and inserting ''January 1, 2016''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to dispositions after December 31, 2013.

SEC. 161. EXTENSION OF EXCISE TAX CREDITS RELATING TO CERTAIN FUELS.

(a) EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIXTURES.—

(1) Paragraph (6) of section 6426(c) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(2) Subparagraph (B) of section 6427(e)(6) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(b) EXTENSION OF ALTERNATIVE FUELS EXCISE TAX CREDITS.—

(1) IN GENERAL.—Sections 6426(d)(5) and 6426(e)(3) are each amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(2) OUTLAY PAYMENTS FOR ALTERNATIVE FUELS.—Subparagraph (C) of section 6427(e)(6) is amended by striking ''December 31, 2013'' and inserting ''December 31, 2015''.

(c) EXTENSION OF ALTERNATIVE FUELS EXCISE TAX CREDITS RELATING TO LIQUEFIED HYDROGEN.—

(1) IN GENERAL.—Sections 6426(d)(5) and 6426(e)(3), as amended by subsection (b), are each amended by striking ''(September 30, 2014 in the case of any sale or use involving liquefied hydrogen)''.

(2) OUTLAY PAYMENTS FOR ALTERNATIVE FUELS.—Paragraph (6) of section 6427(e) is amended—

(A) by striking ''except as provided in subparagraph (D), any'' in subparagraph (C), as amended by this Act, and inserting ''any'',

(B) by striking the comma at the end of subparagraph (C) and inserting '', and'', and

(C) by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to fuel sold or used after December 31, 2013.

(2) LIQUEFIED HYDROGEN.—The amendments made by subsection (c) shall apply to fuels sold or used after September 30, 2014.

(e) SPECIAL RULE FOR CERTAIN PERIODS DURING 2014.—Notwithstanding any other provision of law, in the case of—

(1) any biodiesel mixture credit properly determined under section 6426(c) of the Internal Revenue Code of 1986 for periods after December 31, 2013, and before the date of the enactment of this Act, and

(2) any alternative fuel credit properly determined under section 6426(d) of such Code for such periods,

such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods described in the preceding sentence. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

Subtitle B—Provisions Expiring in 2014

PART I—ENERGY TAX EXTENDERS

SEC. 171. EXTENSION OF CREDIT FOR NEW QUALIFIED FUEL CELL MOTOR VEHICLES.

(a) IN GENERAL.—Paragraph (1) of section 30B(k) is amended by striking ''December 31, 2014'' and inserting ''December 31, 2015''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property purchased after December 31, 2014.

SEC. 172. EXTENSION OF CREDIT FOR ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.

(a) IN GENERAL.—Subsection (g) of section 30C is amended by striking ''placed in service'' and all that follows and inserting ''placed in service after December 31, 2015.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2013.

PART II—EXTENDERS RELATING TO MULTIEMPLOYER DEFINED BENEFIT PENSION PLANS

SEC. 181. EXTENSION OF AUTOMATIC EXTENSION OF AMORTIZATION PERIODS.

(a) IN GENERAL.—Subparagraph (C) of section 431(d)(1) is amended by striking ''December 31, 2014'' and inserting ''December 31, 2015''.

(b) AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Subparagraph (C) of section 304(d)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1084(d)(1)(C)) is amended by striking ''December 31, 2014'' and inserting ''December 31, 2015''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to applications submitted under section 431(d)(1)(A) of the Internal Revenue Code of 1986 and section 304(d)(1)(C) of the Employee Retirement Income Security Act of 1974 after December 31, 2014.

SEC. 182. EXTENSION OF FUNDING IMPROVEMENT AND REHABILITATION PLAN RULES.

(a) IN GENERAL.—Paragraphs (1) and (2) of section 221(c) of the Pension Protection Act of 2006 are each amended by striking ''December 31, 2014'' and inserting ''December 31, 2015''.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 221(c) of the Pension Protection Act of 2006 is amended by striking ''January 1, 2015'' and inserting ''January 1, 2016''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2014.

Subtitle C—Revenue Provisions

SEC. 191. PENALTY FOR FAILURE TO MEET DUE DILIGENCE REQUIREMENTS FOR THE CHILD TAX CREDIT.

(a) IN GENERAL.—Section 6695 is amended by adding at the end the following new subsection:

''(h) FAILURE TO BE DILIGENT IN DETERMINING ELIGIBILITY FOR CHILD TAX CREDIT.—

Any person who is a tax return preparer with respect to any return or claim for refund who fails to comply with due diligence requirements imposed by the Secretary by regulations with respect to determining eligibility for, or the amount of, the credit allowable by section 24 shall pay a penalty of $500 for each such failure.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2014.

SEC. 192. 100 PERCENT CONTINUOUS LEVY ON PAYMENT TO MEDICARE PROVIDERS AND SUPPLIERS.

(a) IN GENERAL.—Paragraph (3) of section 6331(h) is amended by striking the period at the end and inserting '', or to a Medicare provider or supplier under title XVIII of the Social Security Act.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made on or after the date which is 180 days after the date of the enactment of this Act.

SEC. 193. EXCLUSION FROM GROSS INCOME OF CERTAIN CLEAN COAL POWER GRANTS TO NON-CORPORATE TAXPAYERS.

(a) GENERAL RULE.—In the case of an eligible taxpayer other than a corporation, gross income for purposes of the Internal Revenue Code of 1986 shall not include any amount received under section 402 of the Energy Policy Act of 2005.

(b) REDUCTION IN BASIS.—The basis of any property subject to the allowance for depreciation under the Internal Revenue Code of 1986 which is acquired with any amount to which subsection (a) applies during the 12-month period beginning on the day such amount is received shall be reduced by an amount equal to such amount. The excess (if any) of such amount over the amount of the reduction under the preceding sentence shall be applied to the reduction (as of the last day of the period specified in the preceding sentence) of the basis of any other property held by the taxpayer. The particular properties to which the reductions required by this subsection are allocated shall be determined by the Secretary of the Treasury (or the Secretary's delegate) under regulations similar to the regulations under section 362(c)(2) of such Code.

(c) LIMITATION TO AMOUNTS WHICH WOULD BE CONTRIBUTIONS TO CAPITAL.—Subsection (a) shall not apply to any amount unless such amount, if received by a corporation, would be excluded from gross income under section 118 of the Internal Revenue Code of 1986.

(d) ELIGIBLE TAXPAYER.—For purposes of this section, with respect to any amount received under section 402 of the Energy Policy Act of 2005, the term ''eligible taxpayer'' means a taxpayer that makes a payment to the Secretary of the Treasury (or the Secretary's delegate) equal to 1.18 percent of the amount so received. Such payment shall be made at such time and in such manner as such Secretary (or the Secretary's delegate) shall prescribe. In the case of a partnership, such Secretary (or the Secretary's delegate) shall prescribe regulations to determine the allocation of such payment amount among the partners.

(e) EFFECTIVE DATE.—This section shall apply to amounts received under section 402 of the Energy Policy Act of 2005 in taxable years beginning after December 31, 2011.

SEC. 194. REFORM OF RULES RELATING TO QUALIFIED TAX COLLECTION CONTRACTS.

(a) REQUIREMENT TO COLLECT CERTAIN INACTIVE TAX RECEIVABLES UNDER QUALIFIED TAX COLLECTION CONTRACTS.—Section 6306 is amended by redesignating subsections (c) through (f) as subsections (d) through (g), respectively, and by inserting after subsection (b) the following new subsection:

''(c) COLLECTION OF INACTIVE TAX RECEIVABLES.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall enter into one or more qualified tax collection contracts for the collection of all outstanding inactive tax receivables.

''(2) INACTIVE TAX RECEIVABLES.—For purposes of this section—

''(A) IN GENERAL.—The term 'inactive tax receivable' means any tax receivable if—

''(i) at any time after assessment, the Internal Revenue Service removes such receivable from the active inventory for lack of resources or inability to locate the taxpayer,

''(ii) more than ⅓ of the period of the applicable statute of limitation has lapsed and such receivable has not been assigned for collection to any employee of the Internal Revenue Service, or

''(iii) in the case of a receivable which has been assigned for collection, more than 365 days have passed without interaction with the taxpayer or a third party for purposes of furthering the collection of such receivable.

''(B) TAX RECEIVABLE.—The term 'tax receivable' means any outstanding assessment which the Internal Revenue Service includes in potentially collectible inventory.''.

(b) CERTAIN TAX RECEIVABLES NOT ELIGIBLE FOR COLLECTION UNDER QUALIFIED TAX COLLECTION CONTRACTS.—Section 6306, as amended by subsection (a), is amended by redesignating subsections (d) through (g) as subsections (e) through (h), respectively, and by inserting after subsection (c) the following new subsection:

''(d) CERTAIN TAX RECEIVABLES NOT ELIGIBLE FOR COLLECTION UNDER QUALIFIED TAX COLLECTIONS CONTRACTS.—A tax receivable shall not be eligible for collection pursuant to a qualified tax collection contract if such receivable—

''(1) is subject to a pending or active offer-in-compromise or installment agreement,

''(2) is classified as an innocent spouse case,

''(3) involves a taxpayer identified by the Secretary as being—

''(A) deceased,

''(B) under the age of 18,

''(C) in a designated combat zone, or

''(D) a victim of tax-related identity theft,

''(4) is currently under examination, litigation, criminal investigation, or levy, or

''(5) is currently subject to a proper exercise of a right of appeal under this title.''.

(c) CONTRACTING PRIORITY.—Section 6306, as amended by the preceding provisions of this section, is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

''(h) CONTRACTING PRIORITY.—In contracting for the services of any person under this section, the Secretary shall utilize private collection contractors and debt collection centers on the schedule required under section 3711(g) of title 31, United States Code, including the technology and communications infrastructure established therein, to the extent such private collection contractors and debt collection centers are appropriate to carry out the purposes of this section.''.

(d) DISCLOSURE OF RETURN INFORMATION.—Section 6103(k) is amended by adding at the end the following new paragraph:

''(11) QUALIFIED TAX COLLECTION CONTRACTORS.—Persons providing services pursuant to a qualified tax collection contract under section 6306 may, if speaking to a person who has identified himself or herself as having the name of the taxpayer to which a tax receivable (within the meaning of such section) relates, identify themselves as contractors of the Internal Revenue Service and disclose the business name of the contractor, and the nature, subject, and reason for the contact. Disclosures under this paragraph shall be made only in such situations and under such conditions as have been approved by the Secretary.''.

(e) TAXPAYERS AFFECTED BY FEDERALLY DECLARED DISASTERS.—Section 6306, as amended by the preceding provisions of this section, is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

''(i) TAXPAYERS IN PRESIDENTIALLY DECLARED DISASTER AREAS.—The Secretary may prescribe procedures under which a taxpayer determined to be affected by a Federally declared disaster (as defined by section 165(h)(3)(C)) may request—

''(1) relief from immediate collection measures by contractors under this section, and

''(2) a return of the inactive tax receivable to the inventory of the Internal Revenue Service to be collected by an employee thereof.''.

(f) REPORT TO CONGRESS.—

(1) IN GENERAL.—Section 6306, as amended by the preceding provisions of this section, is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

''(j) REPORT TO CONGRESS.—Not later than 90 days after the last day of each fiscal year (beginning with the first such fiscal year ending after the date of the enactment of this subsection), the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report with respect to qualified tax collection contracts under this section which shall include—

''(1) annually, with respect to such fiscal year—

''(A) the total number and amount of tax receivables provided to each contractor for collection under this section,

''(B) the total amounts collected (and amounts of installment agreements entered into under subsection (b)(1)(B)) with respect to each contractor and the collection costs incurred (directly and indirectly) by the Internal Revenue Service with respect to such amounts,

''(C) the impact of such contracts on the total number and amount of unpaid assessments, and on the number and amount of assessments collected by Internal Revenue Service personnel after initial contact by a contractor,

''(D) the amount of fees retained by the Secretary under subsection (e) and a description of the use of such funds, and

''(E) a disclosure safeguard report in a form similar to that required under section 6103(p)(5), and

''(2) biannually (beginning with the second report submitted under this subsection)—

''(A) an independent evaluation of contractor performance, and

''(B) a measurement plan that includes a comparison of the best practices used by the private collectors to the collection techniques used by the Internal Revenue Service and mechanisms to identify and capture information on successful collection techniques used by the contractors that could be adopted by the Internal Revenue Service.''.

(2) REPEAL OF EXISTING REPORTING REQUIREMENTS WITH RESPECT TO QUALIFIED TAX COLLECTION CONTRACTS.—Section 881 of the American Jobs Creation Act of 2004 is amended by striking subsection (e).

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a) and (b) shall apply to tax receivables identified by the Secretary after the date of the enactment of this Act.

(2) CONTRACTING PRIORITY.—The Secretary shall begin entering into contracts and

agreements as described in the amendment made by subsection (c) within 3 months after the date of the enactment of this Act.

(3) DISCLOSURES.—The amendment made by subsection (d) shall apply to disclosures made after the date of the enactment of this Act.

(4) PROCEDURES; REPORT TO CONGRESS.—The amendments made by subsections (e) and (f) shall take effect on the date of the enactment of this Act.

SEC. 195. SPECIAL COMPLIANCE PERSONNEL PROGRAM.

(a) IN GENERAL.—Subsection (e) of section 6306, as redesignated by section 194, is amended by striking ''for collection enforcement activities of the Internal Revenue Service'' in paragraph (2) and inserting ''to fund the special compliance personnel program account under section 6307''.

(b) SPECIAL COMPLIANCE PERSONNEL PROGRAM ACCOUNT.—Subchapter A of chapter 64 is amended by adding at the end the following new section:

''SEC. 6307. SPECIAL COMPLIANCE PERSONNEL PROGRAM ACCOUNT.

''(a) ESTABLISHMENT OF A SPECIAL COMPLIANCE PERSONNEL PROGRAM ACCOUNT.—The Secretary shall establish an account within the Department for carrying out a program consisting of the hiring, training, and employment of special compliance personnel, and shall transfer to such account from time to time amounts retained by the Secretary under section 6306(e)(2).

''(b) RESTRICTIONS.—The program described in subsection (a) shall be subject to the following restrictions:

''(1) No funds shall be transferred to such account except as described in subsection (a).

''(2) No other funds from any other source shall be expended for special compliance personnel employed under such program, and no funds from such account shall be expended for the hiring of any personnel other than special compliance personnel.

''(3) Notwithstanding any other authority, the Secretary is prohibited from spending funds out of such account for any purpose other than for costs under such program associated with the employment of special compliance personnel and the retraining and reassignment of current noncollections personnel as special compliance personnel, and to reimburse the Internal Revenue Service or other government agencies for the cost of administering qualified tax collection contracts under section 6306.

''(c) REPORTING.—Not later than March of each year, the Commissioner of Internal Revenue shall submit a report to the Committees on Finance and Appropriations of the Senate and the Committees on Ways and Means and Appropriations of the House of Representatives consisting of the following:

''(1) For the preceding fiscal year, all funds received in the account established under subsection (a), administrative and program costs for the program described in such subsection, the number of special compliance personnel hired and employed under the program, and the amount of revenue actually collected by such personnel.

''(2) For the current fiscal year, all actual and estimated funds received or to be received in the account, all actual and estimated administrative and program costs, the number of all actual and estimated special compliance personnel hired and employed under the program, and the actual and estimated revenue actually collected or to be collected by such personnel.

''(3) For the following fiscal year, an estimate of all funds to be received in the account, all estimated administrative and program costs, the estimated number of special compliance personnel hired and employed under the program, and the estimated revenue to be collected by such personnel.

''(d) DEFINITIONS.—For purposes of this section—

''(1) SPECIAL COMPLIANCE PERSONNEL.—The term 'special compliance personnel' means individuals employed by the Internal Revenue Service as field function collection officers or in a similar position, or employed to collect taxes using the automated collection system or an equivalent replacement system.

''(2) PROGRAM COSTS.—The term 'program costs' means—

''(A) total salaries (including locality pay and bonuses), benefits, and employment taxes for special compliance personnel employed or trained under the program described in subsection (a), and

''(B) direct overhead costs, salaries, benefits, and employment taxes relating to support staff, rental payments, office equipment and furniture, travel, data processing services, vehicle costs, utilities, telecommunications, postage, printing and reproduction, supplies and materials, lands and structures, insurance claims, and indemnities for special compliance personnel hired and employed under this section.

For purposes of subparagraph (B), the cost of management and supervision of special compliance personnel shall be taken into account as direct overhead costs to the extent such costs, when included in total program costs under this paragraph, do not represent more than 10 percent of such total costs.''.

(c) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 64 is amended by inserting after the item relating to section 6306 the following new item:

''Sec. 6307. Special compliance personnel program account.''.

(d) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to amounts collected and retained by the Secretary after the date of the enactment of this Act.

SEC. 196. EXCLUSION OF DIVIDENDS FROM CONTROLLED FOREIGN CORPORATIONS FROM THE DEFINITION OF PERSONAL HOLDING COMPANY INCOME FOR PURPOSES OF THE PERSONAL HOLDING COMPANY RULES.

(a) IN GENERAL.—Paragraph (1) of section 543(a) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (B) the following new subparagraph:

''(C) dividends received by a United States shareholder (as defined in section 951(b)) from a controlled foreign corporation (as defined in section 957(a)),''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after the date of the enactment of this Act.

SEC. 197. INFLATION ADJUSTMENT FOR CERTAIN CIVIL PENALTIES UNDER THE INTERNAL REVENUE CODE OF 1986.

(a) FAILURE TO FILE TAX RETURN OR PAY TAX.—Section 6651 is amended by adding at the end the following new subsection:

''(i) ADJUSTMENT FOR INFLATION.—

''(1) IN GENERAL.—In the case of any return required to be filed in a calendar year beginning after 2014, the $135 dollar amount under subsection (a) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting 'calendar year 2013' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) ROUNDING.—If any amount adjusted under paragraph (1) is not a multiple of $5, such amount shall be rounded to the next lowest multiple of $5.''.

(b) FAILURE TO FILE CERTAIN INFORMATION RETURNS, REGISTRATION STATEMENTS, ETC.—

(1) IN GENERAL.—Section 6652(c) is amended by adding at the end the following new paragraph:

''(6) ADJUSTMENT FOR INFLATION.—

''(A) IN GENERAL.—In the case of any failure relating to a return required to be filed in a calendar year beginning after 2014, each of the dollar amounts under paragraphs (1), (2), and (3) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting 'calendar year 2013' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—If any amount adjusted under subparagraph (A)—

''(i) is not less than $5,000 and is not a multiple of $500, such amount shall be rounded to the next lowest multiple of $500, and

''(ii) is not described in clause (i) and is not a multiple of $5, such amount shall be rounded to the next lowest multiple of $5.''.

(2) CONFORMING AMENDMENTS.—

(A) The last sentence of section 6652(c)(1)(A) is amended by striking ''the first sentence of this subparagraph shall be applied by substituting '$100' for '$20' and'' and inserting ''in applying the first sentence of this subparagraph, the amount of the penalty for each day during which a failure continues shall be $100 in lieu of the amount otherwise specified, and''.

(B) Clause (ii) of section 6652(c)(2)(C) is amended by striking ''the first sentence of paragraph (1)(A)'' and all that follows and inserting ''in applying the first sentence of paragraph (1)(A), the amount of the penalty for each day during which a failure continues shall be $100 in lieu of the amount otherwise specified, and in lieu of applying the second sentence of paragraph (1)(A), the maximum penalty under paragraph (1)(A) shall not exceed $50,000, and''.

(c) OTHER ASSESSABLE PENALTIES WITH RESPECT TO THE PREPARATION OF TAX RETURNS FOR OTHER PERSONS.—Section 6695 is amended by adding at the end the following new subsection:

''(h) ADJUSTMENT FOR INFLATION.—

''(1) IN GENERAL.—In the case of any failure relating to a return or claim for refund filed in a calendar year beginning after 2014, each of the dollar amounts under subsections (a), (b), (c), (d), (e), (f), and (g) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting 'calendar year 2013' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) ROUNDING.—If any amount adjusted under subparagraph (A)—

''(A) is not less than $5,000 and is not a multiple of $500, such amount shall be rounded to the next lowest multiple of $500, and

''(B) is not described in clause (i) and is not a multiple of $5, such amount shall be rounded to the next lowest multiple of $5.''.

(d) FAILURE TO FILE PARTNERSHIP RETURN.—Section 6698 is amended by adding at the end the following new subsection:

''(e) ADJUSTMENT FOR INFLATION.—

''(1) IN GENERAL.—In the case of any return required to be filed in a calendar year beginning after 2014, the $195 dollar amount under subsection (b)(1) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting 'calendar year 2013' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) ROUNDING.—If any amount adjusted under paragraph (1) is not a multiple of $5, such amount shall be rounded to the next lowest multiple of $5.''.

(e) FAILURE TO FILE S CORPORATION RETURN.—Section 6699 is amended by adding at the end the following new subsection:

''(e) ADJUSTMENT FOR INFLATION.—

''(1) IN GENERAL.—In the case of any return required to be filed in a calendar year beginning after 2014, the $195 dollar amount under subsection (b)(1) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting 'calendar year 2013' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) ROUNDING.—If any amount adjusted under paragraph (1) is not a multiple of $5, such amount shall be rounded to the next lowest multiple of $5.''.

(f) FAILURE TO FILE CORRECT INFORMATION RETURNS.—Paragraph (1) of section 6721(f) is amended by striking ''For each fifth calendar year beginning after 2012'' and inserting ''In the case of any failure relating to a return required to be filed in a calendar year beginning after 2014''.

(g) FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.—Paragraph (1) of section 6722(f) is amended by striking ''For each fifth calendar year beginning after 2012'' and inserting ''In the case of any failure relating to a statement required to be furnished in a calendar year beginning after 2014''.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to returns required to be filed after December 31, 2014.

TITLE II—TAX TECHNICAL CORRECTIONS

SEC. 201. SHORT TITLE.

This title may be cited as the ''Tax Technical Corrections Act of 2014''.

SEC. 202. AMENDMENT RELATING TO MIDDLE CLASS TAX RELIEF AND JOB CREATION ACT OF 2012.

(a) AMENDMENT RELATING TO SECTION 7001.—Paragraph (1) of section 7001 of the Middle Class Tax Relief and Job Creation Act of 2012 is amended by striking ''201(b)'' and inserting ''202(b)''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 7001 of the Middle Class Tax Relief and Job Creation Act of 2012.

SEC. 203. AMENDMENTS RELATING TO AMERICAN TAXPAYER RELIEF ACT OF 2012.

(a) AMENDMENT RELATING TO SECTION 102.—Clause (ii) of section 911(f)(2)(B) is amended by striking ''described in section 1(h)(1)(B) shall be treated as a reference to such excess as determined'' and inserting ''described in section 1(h)(1)(B), and the reference in section 55(b)(3)(C)(ii) to the excess described in section 1(h)(1)(C)(ii), shall each be treated as a reference to each such excess as determined''.

(b) AMENDMENTS RELATING TO SECTION 104.—

(1) Clause (ii) of section 55(d)(4)(B) is amended by inserting ''subparagraphs (A), (B), and (D) of'' before ''paragraph (1)''.

(2) Subparagraph (C) of section 55(d)(4) is amended by striking ''increase'' and inserting ''increased amount''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provision of the American Taxpayer Relief Act of 2012 to which they relate.

SEC. 204. AMENDMENTS RELATING TO REGULATED INVESTMENT COMPANY MODERNIZATION ACT OF 2010.

(a) AMENDMENTS RELATING TO SECTION 101.—

(1) Subsection (c) of section 101 of the Regulated Investment Company Modernization Act of 2010 is amended—

(A) by striking ''paragraph (2)'' in paragraph (1) and inserting ''paragraphs (2) and (3)'', and

(B) by adding at the end the following new paragraph:

''(3) EXCISE TAX.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), for purposes of section 4982 of the Internal Revenue Code of 1986, paragraphs (1) and (2) shall apply by substituting 'the 1-year periods taken into account under subsection (b)(1)(B) of such section with respect to calendar years beginning after December 31, 2010' for 'taxable years beginning after the date of the enactment of this Act'.

''(B) ELECTION.—A regulated investment company may elect to apply subparagraph (A) by substituting '2011' for '2010'. Such election shall be made at such time and in such form and manner as the Secretary of the Treasury (or the Secretary's delegate) shall prescribe.''.

(2) The first sentence of paragraph (2) of section 852(c) is amended—

(A) by striking ''and without regard to'' and inserting '', without regard to'', and

(B) by inserting '', and without regard to any capital loss arising on the first day of the taxable year by reason of clauses (ii) and (iii) of section 1212(a)(3)(A)'' before the period at the end.

(b) AMENDMENT RELATING TO SECTION 304.—Paragraph (1) of section 855(a) is amended by inserting ''on or'' before ''before''.

(c) AMENDMENTS RELATING TO SECTION 308.—

(1) Paragraph (8) of section 852(b) is amended by redesignating subparagraph (E) as subparagraph (G) and by striking subparagraphs (C) and (D) and inserting the following new subparagraphs:

''(C) POST-OCTOBER CAPITAL LOSS.—For purposes of this paragraph, the term 'post-October capital loss' means—

''(i) any net capital loss attributable to the portion of the taxable year after October 31, or

''(ii) if there is no such loss—

''(I) any net long-term capital loss attributable to such portion of the taxable year, or

''(II) any net short-term capital loss attributable to such portion of the taxable year.

''(D) LATE-YEAR ORDINARY LOSS.—For purposes of this paragraph, the term 'late-year ordinary loss' means the sum of any post-October specified loss and any post-December ordinary loss.

''(E) POST-OCTOBER SPECIFIED LOSS.—For purposes of this paragraph, the term 'post-October specified loss' means the excess (if any) of—

''(i) the specified losses (as defined in section 4982(e)(5)(B)(ii)) attributable to the portion of the taxable year after October 31, over

''(ii) the specified gains (as defined in section 4982(e)(5)(B)(i)) attributable to such portion of the taxable year.

''(F) POST-DECEMBER ORDINARY LOSS.—For purposes of this paragraph, the term 'post-December ordinary loss' means the excess (if any) of—

''(i) the ordinary losses not described in subparagraph (E)(i) and attributable to the portion of the taxable year after December 31, over

''(ii) the ordinary income not described in subparagraph (E)(ii) and attributable to such portion of the taxable year.''.

(2) Subparagraph (G) of section 852(b)(8), as so redesignated, is amended by striking '', (D)(i)(I), and (D)(ii)(I)'' and inserting ''and (E)''.

(3) The first sentence of paragraph (2) of section 852(c), as amended by subsection (a), is amended—

(A) by striking '', and without regard to'' and inserting '', without regard to'', and

(B) by inserting '', and with such other adjustments as the Secretary may prescribe'' before the period at the end.

(d) AMENDMENTS RELATING TO SECTION 402.—

(1) Subparagraph (B) of section 4982(e)(6) is amended by inserting before the period at the end the following: ''or which determines income by reference to the value of an item on the last day of the taxable year''.

(2) Subparagraph (A) of section 4982(e)(7) is amended by striking ''such company'' and all that follows through ''any net ordinary loss'' and inserting ''such company may elect to determine its ordinary income and net ordinary loss (as defined in paragraph (2)(C)(ii)) for the calendar year without regard to any portion of any net ordinary loss''.

(e) CLERICAL AMENDMENT RELATING TO SECTION 201.—Subparagraph (A) of section 851(d)(2) is amended by inserting ''of this paragraph'' after ''subparagraph (B)(i)''.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect as if included in the provision of the Regulated Investment Company Modernization Act of 2010 to which they relate.

(2) SAVINGS PROVISION.—In the case of a regulated investment company which, before the date of the enactment of this Act, elected under paragraph (8) of section 852(b) of the Internal Revenue Code of 1986 (as in effect on the date of such election) for any taxable year ending before such date of enactment to treat any loss as arising in the following taxable year, the amendments made by paragraphs (1) and (2) of subsection (c) shall not apply with respect to such election.

SEC. 205. AMENDMENTS RELATING TO TAX RELIEF, UNEMPLOYMENT INSURANCE REAUTHORIZATION, AND JOB CREATION ACT OF 2010.

(a) AMENDMENT RELATING TO SECTION 103.—Clause (ii) of section 32(b)(3)(B) is amended by striking ''in 2010'' and inserting ''after 2009''.

(b) CLERICAL AMENDMENT RELATING TO SECTION 302.—Subsection (f) of section 302 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 is amended by striking ''subsection'' and inserting ''section''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 to which they relate.

SEC. 206. AMENDMENTS RELATING TO CREATING SMALL BUSINESS JOBS ACT OF 2010.

(a) AMENDMENTS RELATING TO SECTION 2102.—

(1) Subsection (h) of section 2102 of the Creating Small Business Jobs Act of 2010 is amended by inserting '', and payee statements required to be furnished,'' after ''information returns required to be filed''.

(2) Paragraphs (1) and (2) of subsection (b), and subsection (c)(1)(C), of section 6722 are each amended by striking ''the required filing date'' and inserting ''the date prescribed for furnishing such statement''.

(3) Subparagraph (B) of section 6722(c)(2) is amended by striking ''filed'' and inserting ''furnished''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provision of the Creating Small Business Jobs Act of 2010 to which they relate.

SEC. 207. CLERICAL AMENDMENT RELATING TO HIRING INCENTIVES TO RESTORE EMPLOYMENT ACT.

(a) AMENDMENT RELATING TO SECTION 512.—Paragraph (1) of section 512(a) of the Hiring Incentives to Restore Employment Act is amended by striking ''after paragraph (6)'' and inserting ''after paragraph (5)''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the provision of the Hiring Incentives to Restore Employment Act to which it relates.

SEC. 208. AMENDMENTS RELATING TO AMERICAN RECOVERY AND REINVESTMENT TAX ACT OF 2009.

(a) AMENDMENT RELATING TO SECTION 1003.—Paragraph (4) of section 24(d) is amended to read as follows:

''(4) SPECIAL RULE FOR CERTAIN YEARS.—In the case of any taxable year beginning after 2008 and before 2018, paragraph (1)(B)(i) shall be applied by substituting '$3,000' for '$10,000'.''.

(b) AMENDMENT RELATING TO SECTION 1004.—Paragraph (3) of section 25A(i) is amended by striking ''Subsection (f)(1)(A) shall be applied'' and inserting ''For purposes of determining the Hope Scholarship Credit, subsection (f)(1)(A) shall be applied''.

(c) AMENDMENTS RELATING TO SECTION 1008.—

(1) Paragraph (6) of section 164(b) is amended by striking subparagraph (E) and by redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively.

(2) Subparagraphs (E) and (F) of section 164(b)(6), as so redesignated, are each amended by striking ''This paragraph'' and inserting ''Subsection (a)(6)''.

(d) AMENDMENT RELATING TO SECTION 1104.—Subparagraph (A) of section 48(d)(3) is amended by inserting ''or alternative minimum taxable income'' after ''includible in the gross income''

(e) AMENDMENTS RELATING TO SECTION 1141.—

(1) Subsection (f) of section 30D is amended—

(A) by inserting ''(determined without regard to subsection (c))'' before the period at the end of paragraph (1), and

(B) by inserting ''(determined without regard to subsection (c))'' before the period at the end of paragraph (2).

(2) Paragraph (3) of section 30D(f) is amended by adding at the end the following: ''For purposes of subsection (c), property to which this paragraph applies shall be treated as of a character subject to an allowance for depreciation.''

(f) AMENDMENTS RELATING TO SECTION 1142.—

(1) Subsection (b) of section 38 is amended by striking ''plus'' at the end of paragraph (35), by redesignating paragraph (36) as paragraph (37), and by inserting after paragraph (35) the following new paragraph:

''(36) the portion of the qualified plug-in electric vehicle credit to which section 30(c)(1) applies, plus''.

(2)(A) Subsection (e) of section 30 is amended—

(i) by inserting ''(determined without regard to subsection (c))'' before the period at the end of paragraph (1), and

(ii) by inserting ''(determined without regard to subsection (c))'' before the period at the end of paragraph (2).

(B) Paragraph (3) of section 30(e) is amended by adding at the end the following: ''For purposes of subsection (c), property to which this paragraph applies shall be treated as of a character subject to an allowance for depreciation.''

(g) AMENDMENT RELATING TO SECTION 1302.—Paragraph (3) of section 48C(b) is amended by inserting ''as the qualified investment'' after ''The amount which is treated''.

(h) AMENDMENTS RELATED TO SECTION 1541.—

(1) Paragraph (2) of section 853A(a) is amended by inserting ''(determined after the application of this section)'' before the comma at the end.

(2) Subsection (a) of section 853A is amended—

(A) by striking ''with respect to credits'' and inserting ''with respect to some or all of the credits'', and

(B) by inserting ''(determined without regard to this section and sections 54(c), 54A(c)(1), 54AA(c)(1), and 1397E(c))'' after ''credits allowable''.

(3) Subsection (b) of section 853A is amended to read as follows:

''(b) EFFECT OF ELECTION.—If the election provided in subsection (a) is in effect with respect to any credits for any taxable year—

''(1) the regulated investment company—

''(A) shall not be allowed such credits,

''(B) shall include in gross income (as interest) for such taxable year the amount which would have been so included with respect to such credits had the application of this section not been elected,

''(C) shall include in earnings and profits the amount so included in gross income, and

''(D) shall be treated as making one or more distributions of money with respect to its stock equal to the amount of such credits on the date or dates (on or after the applicable date for any such credit) during such taxable year (or following the close of the taxable year pursuant to section 855) selected by the company, and

''(2) each shareholder of such investment company shall—

''(A) be treated as receiving such shareholder's proportionate share of any distribution of money which is treated as made by such investment company under paragraph (1)(D), and

''(B) be allowed credits against the tax imposed by this chapter equal to the amount of such distribution, subject to the provisions of this title applicable to the credit involved.''.

(4) Subsection (c) of section 853A is amended to read as follows:

''(c) NOTICE TO SHAREHOLDERS.—The amount treated as a distribution of money received by a shareholder under subsection (b)(2)(A) (and as credits allowed to such shareholder under subsection (b)(2)(B)) shall not exceed the amount so reported by the regulated investment company in a written statement furnished to such shareholder.''.

(5) Clause (ii) of section 853A(e)(1)(A) is amended by inserting ''other than a qualified bond described in section 54AA(g)'' after ''as defined in section 54AA(d))''.

(i) AMENDMENTS RELATING TO SECTION 2202.—

(1) Subparagraph (A) of section 2202(b)(1) of the division B of the American Recovery and Reinvestment Act of 2009 is amended by inserting ''political subdivision of a State,'' after ''any State,''.

(2) Section 2202 of division B of the American Recovery and Reinvestment Act of 2009 is amended by adding at the end the following new subsection:

''(e) TREATMENT OF POSSESSIONS.—

''(1) PAYMENTS TO MIRROR CODE POSSESSIONS.—The Secretary of the Treasury shall pay to each possession of the United States with a mirror code tax system amounts equal to the loss to that possession by reason of credits allowed under subsection (a) with respect to taxable years beginning in 2009. Such amounts shall be determined by the Secretary of the Treasury based on information provided by the government of the respective possession.

''(2) COORDINATION WITH CREDIT ALLOWED AGAINST UNITED STATES INCOME TAXES.—No credit shall be allowed against United States income taxes for any taxable year under this section to any person to whom a credit is allowed against taxes imposed by the possession by reason of the credit allowed under subsection (a) for such taxable year.

''(3) DEFINITIONS AND SPECIAL RULES.—

''(A) POSSESSION OF THE UNITED STATES.—For purposes of this subsection, the term 'possession of the United States' includes the Commonwealth of the Northern Mariana Islands.

''(B) MIRROR CODE TAX SYSTEM.—For purposes of this subsection, the term 'mirror code tax system' means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States.

''(C) TREATMENT OF PAYMENTS.—For purposes of section 1324(b)(2) of title 31, United States Code, the payments under this subsection shall be treated in the same manner as a refund due from the credit allowed under section 36A of the Internal Revenue Code of 1986 (as added by this Act).''.

(j) CLERICAL AMENDMENTS.—

(1) AMENDMENT RELATING TO SECTION 1131.—Paragraph (2) of section 45Q(d) is amended by striking ''Administrator of the Environmental Protection Agency'' and all that follows through ''shall establish'' and inserting ''Administrator of the Environmental Protection Agency, the Secretary of Energy, and the Secretary of the Interior, shall establish''.

(2) AMENDMENT RELATING TO SECTION 1141.—Paragraph (37) of section 1016(a) is amended by striking ''section 30D(e)(4)'' and inserting ''section 30D(f)(1)''.

(3) AMENDMENT RELATING TO SECTION 3001.—Subparagraph (A) of section 3001(a)(14) of the American Recovery and Reinvestment Act of 2009 is amended by striking ''is amended by redesignating paragraph (9) as paragraph (10)'' and inserting '', as amended by this Act, is amended by redesignating paragraphs (9) and (10) as paragraphs (10) and (11), respectively,''.

(k) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the American Recovery and Reinvestment Tax Act of 2009 to which they relate.

SEC. 209. AMENDMENTS RELATING TO ENERGY IMPROVEMENT AND EXTENSION ACT OF 2008.

(a) AMENDMENT RELATING TO SECTION 108.—Subparagraph (E) of section 45K(g)(2) is amended to read as follows:

''(E) COORDINATION WITH SECTION 45.—No credit shall be allowed with respect to any coke or coke gas which is produced using steel industry fuel (as defined in section 45(c)(7)) as feedstock if a credit is allowed to any taxpayer under section 45 with respect to the production of such steel industry fuel.''.

(b) AMENDMENT RELATING TO SECTION 113.—Paragraph (1) of section 113(b) of the Energy Improvement and Extension Act of 2008 is amended by adding at the end the following new subparagraph:

''(F) TRUST FUND.—The term 'Trust Fund' means the Black Lung Disability Trust Fund established under section 9501 of the Internal Revenue Code of 1986.''.

(c) AMENDMENTS RELATING TO SECTION 306.—

(1) Clause (ii) of section 168(i)(18)(A) is amended by striking ''10 years'' and inserting ''16 years''.

(2) Clause (ii) of section 168(i)(19)(A) is amended by striking ''10 years'' and inserting ''16 years''.

(d) AMENDMENT RELATING TO SECTION 308.—Clause (i) of section 168(m)(2)(B) is amended by striking ''section 168(k)'' and inserting ''subsection (k) (determined without regard to paragraph (4) thereof)''.

(e) AMENDMENT RELATING TO SECTION 402.—Subparagraph (A) of section 907(f)(4) is amended by striking ''this subsection shall be applied'' and all that follows through the period at the end and inserting the following:

''this subsection, as in effect on the day before the date of the enactment of the Energy Improvement and Extension Act of 2008, shall apply to unused oil and gas extraction taxes carried from such unused credit year to a taxable year beginning after December 31, 2008.''.

(f) AMENDMENTS RELATING TO SECTION 403.—

(1) Subsection (c) of section 1012 is amended—

(A) by striking ''FUNDS'' in the heading for paragraph (2) and inserting ''REGULATED INVESTMENT COMPANIES'',

(B) by striking ''FUND'' in the heading for paragraph (2)(B), and

(C) by striking ''fund'' each place it appears in paragraph (2) and inserting ''regulated investment company''.

(2) Paragraph (1) of section 1012(d) is amended—

(A) by striking ''December 31, 2010'' and inserting ''December 31, 2011'', and

(B) by striking ''an open-end fund'' and inserting ''a regulated investment company''.

(3) Paragraph (3) of section 1012(d) is amended to read as follows:

''(3) SEPARATE ACCOUNTS; ELECTION FOR TREATMENT AS SINGLE ACCOUNT.—

''(A) IN GENERAL.—Rules similar to the rules of subsection (c)(2) shall apply for purposes of this subsection.

''(B) AVERAGE BASIS FOR PRE-2012 STOCK.—Notwithstanding paragraph (1), in the case of an election under rules similar to the rules of subsection (c)(2)(B) with respect to stock held in connection with a dividend reinvestment plan, the average basis method is permissible with respect to all such stock without regard to the date of the acquisition of such stock.''.

(4) Subsection (g) of section 6045 is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULE FOR CERTAIN STOCK HELD IN CONNECTION WITH DIVIDEND REINVESTMENT PLAN.—For purposes of this subsection, stock acquired before January 1, 2012, in connection with a dividend reinvestment plan shall be treated as stock described in clause (ii) of paragraph (3)(C) (unless the broker with respect to such stock elects not to have this paragraph apply with respect to such stock).''.

(g) CLERICAL AMENDMENT RELATING TO SECTION 108.—Paragraph (2) of section 45(b) is amended by striking ''$3 amount'' and inserting ''$2 amount''.

(h) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Energy Improvement and Extension Act of 2008 to which they relate.

SEC. 210. AMENDMENTS RELATING TO TAX EXTENDERS AND ALTERNATIVE MINIMUM TAX RELIEF ACT OF 2008.

(a) AMENDMENT RELATING TO SECTION 208.—Subsection (b) of section 208 of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 is amended to read as follows:

''(b) EFFECTIVE DATE.—

''(1) IN GENERAL.—The amendment made by subsection (a) shall take effect on January 1, 2008. Notwithstanding the preceding sentence, such amendment shall not apply with respect to the withholding requirement under section 1445 of the Internal Revenue Code of 1986 for any payment made before October 4, 2008.

''(2) AMOUNTS WITHHELD ON OR BEFORE DATE OF ENACTMENT.—In the case of a regulated investment company—

''(A) which makes a distribution after December 31, 2007, and before October 4, 2008, and

''(B) which would (but for the second sentence of paragraph (1)) have been required to withhold with respect to such distribution under section 1445 of such Code,

such investment company shall not be liable to any person to whom such distribution was made for any amount so withheld and paid over to the Secretary of the Treasury.''.

(b) AMENDMENTS RELATING TO SECTION 305.—Paragraphs (7)(B) and (8)(D) of section 168(e) are each amended by inserting ''which is not qualified leasehold improvement property'' after ''Property described in this paragraph''.

(c) CLERICAL AMENDMENTS.—

(1) AMENDMENT RELATING TO SECTION 306.—Paragraph (5) of section 168(b) is amended by striking ''(2)(C)'' and inserting ''(2)(D)''.

(2) AMENDMENTS RELATING TO SECTION 706.—

(A) Paragraph (2) of section 1033(h) is amended by inserting ''is'' before ''compulsorily''.

(B) Subclause (II) of section 172(b)(1)(F)(ii) is amended by striking ''subsection (h)(3)(C)(i)'' and inserting ''section 165(h)(3)(C)(i)''.

(C) The heading for paragraph (1) of section 165(h) is amended by striking ''$100'' and inserting ''DOLLAR''.

(3) AMENDMENT RELATING TO SECTION 709.—Subsection (k) of section 143 is amended by redesignating the second paragraph (12) (relating to special rules for residences destroyed in Federally declared disasters) as paragraph (13).

(4) AMENDMENT RELATING TO SECTION 712.—Section 712 of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 is amended by striking ''section 702(c)(1)(A)'' and inserting ''section 702(b)(1)(A)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 to which they relate.

SEC. 211. CLERICAL AMENDMENTS RELATING TO HOUSING ASSISTANCE TAX ACT OF 2008.

(a) AMENDMENT RELATING TO SECTION 3002.—Paragraph (1) of section 42(b) is amended by striking ''For purposes of this section, the term'' and inserting the following: ''For purposes of this section—

''(A) IN GENERAL.—The term''.

(b) AMENDMENT RELATING TO SECTION 3081.—Clause (iv) of section 168(k)(4)(E) is amended by striking ''adjusted minimum tax'' and inserting ''adjusted net minimum tax''.

(c) AMENDMENT RELATING TO SECTION 3092.—Subsection (b) of section 121 is amended by redesignating the second paragraph (4) (relating to exclusion of gain allocated to nonqualified use) as paragraph (5).

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Housing Assistance Tax Act of 2008 to which they relate.

SEC. 212. AMENDMENTS AND PROVISION RELATING TO HEROES EARNINGS ASSISTANCE AND RELIEF TAX ACT OF 2008.

(a) AMENDMENT RELATING TO SECTION 106.—Paragraph (2) of section 106(c) of the Heroes Earnings Assistance and Relief Tax Act of 2008 is amended by striking ''substituting for'' and inserting ''substituting 'June 17, 2008' for''.

(b) AMENDMENT RELATING TO SECTION 114.—Paragraph (1) of section 125(h) is amended by inserting ''(and shall not fail to be treated as an accident or health plan)'' before ''merely''.

(c) CLERICAL AMENDMENTS.—

(1) AMENDMENT RELATING TO SECTION 110.—Subparagraph (B) of section 121(d)(12) is amended by inserting ''of paragraph (9)'' after ''and (D)''.

(2) AMENDMENT RELATING TO SECTION 301.—Paragraph (2) of section 877(e) is amended by striking ''subparagraph (A) or (B) of''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Heroes Earnings Assistance and Relief Tax Act of 2008 to which they relate.

SEC. 213. AMENDMENTS RELATING TO ECONOMIC STIMULUS ACT OF 2008.

(a) AMENDMENTS RELATING TO SECTION 101.—Paragraph (2) of section 6213(g) is amended—

(1) by striking ''32, or 6428'' in subparagraph (L) and inserting ''or 32'', and

(2) by striking ''and'' at the end of subparagraph (O), by striking the period at the end of subparagraph (P) and inserting '', and'', and by inserting after subparagraph (P) the following new subparagraph:

''(Q) an omission of a correct TIN required under section 6428(h) (relating to 2008 recovery rebates for individuals) to be included on a return.''.

(b) CLERICAL AMENDMENT RELATING TO SECTION 103.—Subclause (IV) of section 168(k)(2)(B)(i) is amended by striking ''clauses also apply'' and inserting ''clause also applies''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Economic Stimulus Act of 2008 to which they relate.

SEC. 214. AMENDMENTS RELATING TO TAX TECHNICAL CORRECTIONS ACT OF 2007.

(a) AMENDMENT RELATING TO SECTION 4(c).—Paragraph (1) of section 911(f) is amended by adding at the end the following flush sentence:

''For purposes of this paragraph, the amount excluded under subsection (a) shall be reduced by the aggregate amount of any deductions or exclusions disallowed under subsection (d)(6) with respect to such excluded amount.''.

(b) CLERICAL AMENDMENT RELATING TO SECTION 11(g).—Clause (iv) of section 56(g)(4)(C) is amended by striking ''a cooperative described in section 927(a)(4)'' and inserting ''an organization to which part I of subchapter T (relating to tax treatment of cooperatives) applies which is engaged in the marketing of agricultural or horticultural products''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Tax Technical Corrections Act of 2007 to which they relate.

SEC. 215. AMENDMENT RELATING TO TAX RELIEF AND HEALTH CARE ACT OF 2006.

(a) AMENDMENT RELATING TO SECTION 105.—Subparagraph (B) of section 45A(b)(1) is amended by adding at the end the following: ''If any portion of wages are taken into account under subsection (e)(1)(A) of section 51, the preceding sentence shall be applied by substituting '2-year period' for '1-year period'.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the provision of the Tax Relief and Health Care Act of 2006 to which it relates.

SEC. 216. AMENDMENT RELATING TO SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT TRANSPORTATION EQUITY ACT OF 2005: A LEGACY FOR USERS.

(a) AMENDMENT RELATING TO SECTION 11161.—Paragraph (1) of section 9503(b) is amended by inserting before the period at the end the following: ''and taxes received under section 4081 shall be determined without regard to tax receipts attributable to the rate specified in section 4081(a)(2)(C)''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the provision of the Safe, Accountable, Flexible, Efficient Transportation Equity Act of 2005: A Legacy for Users to which it relates.

SEC. 217. AMENDMENTS RELATING TO ENERGY TAX INCENTIVES ACT OF 2005.

(a) AMENDMENT RELATING TO SECTION 1341.—Subparagraph (B) of section 30B(h)(5)

is amended by inserting ''(determined without regard to subsection (g))'' before the period at the end.

(b) AMENDMENT RELATING TO SECTION 1342.—Paragraph (1) of section 30C(e) is amended to read as follows:

''(1) REDUCTION IN BASIS.—For purposes of this subtitle, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit so allowed (determined without regard to subsection (d)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provision of the Energy Tax Incentives Act of 2005 to which it relates.

SEC. 218. AMENDMENTS RELATING TO AMERICAN JOBS CREATION ACT OF 2004.

(a) AMENDMENT RELATING TO SECTION 101.—Subsection (d) of section 101 of the American Jobs Creation Act of 2004 is amended by adding at the end the following new paragraph:

''(3) COORDINATION WITH SECTION 199.—This subsection shall be applied without regard to any deduction allowable under section 199.''.

(b) AMENDMENTS RELATING TO SECTION 102.—Paragraph (3) of section 199(b) is amended—

(1) by inserting ''of a short taxable year or'' after ''in cases'', and

(2) by striking ''AND DISPOSITIONS'' and inserting '', DISPOSITIONS, AND SHORT TAXABLE YEARS''.

(c) CLERICAL AMENDMENT RELATING TO SECTION 413.—Paragraph (7) of section 904(h) is amended by striking ''as ordinary income under section 1246 or''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provision of the American Jobs Creation Act of 2004 to which they relate.

SEC. 219. MODIFICATION OF TREATMENT OF CERTAIN HEALTH ORGANIZATIONS.

(a) IN GENERAL.—Paragraph (5) of section 833(c) is amended—

(1) by striking ''this section'' and inserting ''paragraphs (2) and (3) of subsection (a)'', and

(2) by inserting ''and for activities that improve health care quality'' after ''clinical services''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 220. OTHER CLERICAL CORRECTIONS.

(a) Paragraph (8) of section 30B(h) is amended by striking ''vehicle)., except that'' and inserting ''vehicle), except that''.

(b) Subparagraph (A) of section 38(c)(2) is amended by striking ''credit credit'' and inserting ''credit''.

(c) Section 46 is amended by adding a comma at the end of paragraph (4).

(d) Subparagraph (E) of section 50(a)(2) is amended by inserting '', 48A(b)(3), 48B(b)(3), 48C(b)(2), or 48D(b)(4)'' after ''under section 48(b)''.

(e) Clause (i) of section 54A(d)(2)(A) is amended by striking ''100 percent or more'' and inserting ''100 percent''.

(f) Paragraph (2) of section 125(b) is amended by striking ''statutory nontaxable benefits'' each place it appears and inserting ''qualified benefits''.

(g) Paragraph (2) of section 125(h) is amended by striking ''means, any'' and inserting ''means any''.

(h) Subparagraph (F) of section 163(h)(4) is amended by striking ''Veterans Administration or the Rural Housing Administration'' and inserting ''Department of Veterans Affairs or the Rural Housing Service''.

(i) Subsection (a) of section 249 is amended by striking ''1563(a)(1)'' and inserting ''1563(a)(1))''.

(j) Paragraphs (8) and (10) of section 280F(d) are each amended by striking ''subsection (a)(2)'' and inserting ''subsection (a)(1)''.

(k) Clause (iii) of section 402A(c)(4)(E) is amended by striking ''403(b)(7)(A)(i)'' and inserting ''403(b)(7)(A)(ii)''.

(l) Subsection (b) of section 858 is amended by striking ''857(b)(8)'' and inserting ''857(b)(9)''.

(m) Subparagraph (A) of section 1012(c)(2) is amended by striking ''section 1012'' and inserting ''this section''.

(n) The heading for section 1394(f) is amended by striking ''DESIGNATED UNDER SECTION 1391(g)''.

(o) Paragraphs (1) and (2)(A) of section 1394(f) are each amended by striking ''a new empowerment zone facility bond'' and inserting ''an empowerment zone facility bond''.

(p) Subsections (e)(3)(B) and (f)(7)(B) of section 4943 are each amended by striking ''January 1, 1970'' and inserting ''January 1, 1971''.

(q) Paragraph (2) of section 4982(f) is amended by adding a comma at the end.

(r) Paragraph (3) of section 6011(e) is amended by striking ''shall require than'' and inserting ''shall require that''.

(s) Subsection (b) of section 6072 is amended by striking ''6011(e)(2)'' and inserting ''6011(c)(2)''.

(t) Subsection (d) of section 6104 is amended by redesignating the second paragraph (6) (relating to disclosure of reports by Internal Revenue Service) and third paragraph (6) (relating to application to nonexempt charitable trusts and nonexempt private foundations) as paragraphs (7) and (8), respectively.

(u) Subsection (c) of section 6662A is amended by striking ''section 6664(d)(2)(A)'' and inserting ''section 6664(d)(3)(A)''.

(v) Subparagraph (FF) of section 6724(d)(2) is amended by striking ''section 6050W(c)'' and inserting ''section 6050W(f)''.

(w) Section 9802 is amended by redesignating the second subsection (f) (relating to genetic information of a fetus or embryo) as subsection (g).

(x) Paragraph (3) of section 13(e) of the Worker, Homeownership, and Business Assistance Act of 2009 is amended by striking ''subsection (d)'' and inserting ''subsection (c)''.

SEC. 221. DEADWOOD PROVISIONS.

(a) IN GENERAL.—

(1) ADJUSTMENTS IN TAX TABLES SO THAT INFLATION WILL NOT RESULT IN TAX INCREASES.—Paragraph (7) of section 1(f) is amended to read as follows:

''(7) SPECIAL RULE FOR CERTAIN BRACKETS.—In prescribing tables under paragraph (1) which apply to taxable years beginning in a calendar year after 1994, the cost-of-living adjustment used in making adjustments to the dollar amounts at which the 36 percent rate bracket begins or at which the 39.6 percent rate bracket begins shall be determined under paragraph (3) by substituting '1993' for '1992'.''.

(2) CERTAIN PLUG-IN ELECTRIC VEHICLES.—

(A) Subpart B of part IV of subchapter A of chapter 1 is amended by striking section 30 (and by striking the item relating to such section in the table of sections for such subpart).

(B) Subsection (b) of section 38, as amended by section 208(f)(1) of this Act, is amended by inserting ''plus'' at the end of paragraph (35), by striking paragraph (36), and by redesignating paragraph (37) as paragraph (36).

(C) Subclause (VI) of section 48C(c)(1)(A)(i) is amended by striking '', qualified plug-in electric vehicles (as defined by section 30(d)),''.

(D) Section 1016(a) is amended by striking paragraph (25).

(E) Section 6501(m) is amended by striking ''section 30(e)(6),''.

(3) EARNED INCOME CREDIT.—

(A) Paragraph (1) of section 32(b) is amended—

(i) by striking subparagraphs (B) and (C), and

(ii) by striking ''(a) IN GENERAL.—In the case of taxable years beginning after 1995:'' in subparagraph (A) and moving the table 2 ems to the left.

(B) Subparagraph (B) of section 32(b)(2) is amended by striking ''increased by'' and all that follows and inserting ''increased by $3,000.''.

(4) FIRST-TIME HOMEBUYER CREDIT.—Section 6213(g)(2) is amended by striking subparagraph (P), as amended by section 213(a)(2).

(5) MAKING WORK PAY CREDIT.—

(A) Subpart C of part IV of subchapter A of chapter 1 is amended by striking section 36A (and by striking the item relating to such section in the table of sections for such subpart).

(B) Subparagraph (A) of section 6211(b)(4) is amended by striking '', 36A''.

(C) Section 6213(g)(2) is amended by striking subparagraph (N).

(6) GENERAL BUSINESS CREDITS.—Subsection (d) of section 38 is amended by striking paragraph (3).

(7) LOW-INCOME HOUSING CREDIT.—Subclause (I) of section 42(h)(3)(C)(ii) is amended by striking ''($1.50 for 2001)''.

(8) MINIMUM TAX CREDIT.—

(A)(i) Section 53 is amended by striking subsections (e) and (f).

(ii) The amendment made by clause (i) striking subsection (f) of section 53 of the Internal Revenue Code of 1986 shall not be construed to allow any tax abated by reason of section 53(f)(1) of such Code (as in effect before such amendment) to be included in the amount determined under section 53(b)(1) of such Code.

(B) Paragraph (4) of section 6211(b)(4) is amended by striking '', 53(e)''.

(9) ADJUSTMENTS BASED ON ADJUSTED CURRENT EARNINGS.—Clause (ii) of section 56(g)(4)(F) is amended by striking ''In the case of any taxable year beginning after December 31, 1992, clause'' and inserting ''Clause''.

(10) ITEMS OF TAX PREFERENCE; DEPLETION.—Paragraph (1) of section 57(a) is amended by striking ''Effective with respect to taxable years beginning after December 31, 1992, this'' and inserting ''This''.

(11) INTANGIBLE DRILLING COSTS.—

(A) Clause (i) of section 57(a)(2)(E) is amended by striking ''In the case of any taxable year beginning after December 31, 1992, this'' and inserting ''This''.

(B) Clause (ii) of section 57(a)(2)(E) is amended by striking ''(30 percent in the case of taxable years beginning in 1993)''.

(12) ENVIRONMENTAL TAX.—

(A) Subchapter A of chapter 1 is amended by striking part VII (and by striking the item relating to such part in the table of parts for such subchapter).

(B) Paragraph (2) of section 26(b) is amended by striking subparagraph (B).

(C) Section 30A(c) is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(D) Subsection (a) of section 164 is amended by striking paragraph (5).

(E) Section 275(a) is amended by striking the last sentence.

(F) Section 882(a)(1) is amended by striking '', 59A''.

(G) Section 936(a)(3) is amended by striking subparagraph (A) and by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively.

(H) Section 1561(a) is amended—

(i) by inserting ''and'' at the end of paragraph (2), by striking '', and'' at the end of paragraph (3) and inserting a period, and by striking paragraph (4), and

(ii) by striking '', the amount specified in paragraph (3), and the amount specified in paragraph (4)'' and inserting ''and the amount specified in paragraph (3)''.

(I) Section 4611(e) is amended—

(i) by striking ''section 59A, this section,'' in paragraph (2)(B) and inserting ''this section'', and

(ii) in paragraph (3)(A)—

(I) by striking ''section 59A,'', and

(II) by striking the comma after ''rate)''.

(J) Section 6425(c)(1)(A) is amended by inserting ''plus'' at end of clause (i), by striking ''plus'' and inserting ''over'' at the end of clause (ii), and by striking clause (iii).

(K) Section 6655 is amended—

(i) by striking clause (iii) of subsection (e)(2)(B) and inserting:

''(iii) MODIFIED ALTERNATIVE MINIMUM TAXABLE INCOME.—The term 'modified alternative minimum taxable income' means alternative minimum taxable income (as defined in section 55(b)(2)) but determined without regard to the alternative tax net operating loss deduction (as defined in section 56(d)).'', and

(ii) in subsection (g)(1)(A), by inserting ''plus'' at the end of clause (ii), by striking clause (iii), and by redesignating clause (iv) as clause (iii).

(L) Section 9507(b)(1) is amended by striking '' 59A,''.

(13) STANDARD DEDUCTION.—

(A) So much of paragraph (1) of section 63(c) as follows ''the sum of—'' is amended to read as follows:

''(A) the basic standard deduction, and

''(B) the additional standard deduction.''.

(B) Subsection (e) of section 63 is amended by striking paragraphs (7), (8), and (9).

(14) ANNUITIES; CERTAIN PROCEEDS OF ENDOWMENT AND LIFE INSURANCE CONTRACTS.—Section 72 is amended—

(A) in subsection (c)(4), by striking ''; except that if such date was before January 1, 1954, then the annuity starting date is January 1, 1954'', and

(B) in subsection (g)(3), by striking ''January 1, 1954, or'' and '', whichever is later''.

(15) UNEMPLOYMENT COMPENSATION.—Section 85 is amended by striking subsection (c).

(16) ACCIDENT AND HEALTH PLANS.—Section 105(f) is amended by striking ''or (d)''.

(17) FLEXIBLE SPENDING ARRANGEMENTS.—Section 106(c)(1) is amended by striking ''Effective on and after January 1, 1997, gross'' and inserting ''Gross''.

(18) CERTAIN COMBAT ZONE COMPENSATION OF MEMBERS OF THE ARMED FORCES.—Subsection (c) of section 112 is amended—

(A) by striking ''(after June 24, 1950)'' in paragraph (2), and

(B) striking ''such zone;'' and all that follows in paragraph (3) and inserting ''such zone.''.

(19) LEGAL SERVICE PLANS.—

(A) Part III of subchapter B of chapter 1 is amended by striking section 120 (and by striking the item relating to such section in the table of sections for such subpart).

(B)(i) Section 414(n)(3)(C) is amended by striking ''120,''.

(ii) Section 414(t)(2) is amended by striking ''120,''.

(iii) Section 501(c) is amended by striking paragraph (20).

(iv) Section 3121(a) is amended by striking paragraph (17).

(v) Section 3231(e) is amended by striking paragraph (7).

(vi) Section 3306(b) is amended by striking paragraph (12).

(vii) Section 6039D(d)(1) is amended by striking ''120,''.

(viii) Section 209(a)(14) of the Social Security Act is amended—

(I) by striking subparagraph (B), and

(II) by striking ''(14)(A)'' and inserting ''(14)''.

(20) PRINCIPAL RESIDENCE.—Section 121(b)(3) is amended—

(A) by striking subparagraph (B), and

(B) in subparagraph (A), by striking ''(A) IN GENERAL.—'' and moving the text 2 ems to the left.

(21) CERTAIN REDUCED UNIFORMED SERVICES RETIREMENT PAY.—Section 122(b)(1) is amended by striking ''after December 31, 1965,''.

(22) GREAT PLAINS CONSERVATION PROGRAM.—Section 126(a) is amended by striking paragraph (6) and by redesignating paragraphs (7), (8), (9), and (10) as paragraphs (6), (7), (8), and (9), respectively.

(23) TREBLE DAMAGE PAYMENTS UNDER THE ANTITRUST LAW.—Section 162(g) is amended by striking the last sentence.

(24) STATE LEGISLATORS' TRAVEL EXPENSES AWAY FROM HOME.—Paragraph (4) of section 162(h) is amended by striking ''For taxable years beginning after December 31, 1980, this'' and inserting ''This''.

(25) INTEREST.—

(A) Section 163 is amended—

(i) by striking paragraph (6) of subsection (d), and

(ii) by striking paragraph (5) of subsection (h).

(B) Section 56(b)(1)(C) is amended by striking clause (ii) and by redesignating clauses (iii), (iv), and (v) as clauses (ii), (iii), and (iv), respectively.

(26) QUALIFIED MOTOR VEHICLE TAXES.—Section 164 is amended by striking subsections (a)(6) and (b)(6).

(27) DISASTER LOSSES.—

(A) Subsection (h) of section 165 is amended by striking paragraph (3).

(B) Subsection (i) of section 165 is amended—

(i) in paragraph (1)—

(I) by striking ''(as defined by clause (ii) of subsection (h)(3)(C))'', and

(II) by striking ''(as defined by clause (i) of such subsection)'',

(ii) by striking ''(as defined by subsection (h)(3)(C)(i)'' in paragraph (4), and

(iii) by adding at the end the following new paragraph:

''(5) FEDERALLY DECLARED DISASTERS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'Federally declared disaster' means any disaster subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

''(B) DISASTER AREA.—The term 'disaster area' means the area so determined to warrant such assistance.''.

(C) Section 1033(h)(3) is amended by striking ''section 165(h)(3)(C)'' and inserting ''section 165(i))(5)''.

(D) Section 6306(i), as added by this Act, is amended by striking ''section 165(h)(3)(C)'' and inserting ''section 165(i)(5)''.

(28) CHARITABLE, ETC., CONTRIBUTIONS AND GIFTS.—Section 170 is amended—

(A) by striking paragraph (3) of subsection (b),

(B) by striking paragraph (6) of subsection (e), and

(C) by striking subsection (k).

(29) AMORTIZABLE BOND PREMIUM.—

(A) Subparagraph (B) of section 171(b)(1) is amended to read as follows:

''(B)(i) with reference to the amount payable on maturity (or if it results in a smaller amortizable bond premium attributable to the period before the call date, with reference to the amount payable on the earlier call date), in the case of a bond described in subsection (a)(1), and

''(ii) with reference to the amount payable on maturity or on an earlier call date, in the case of a bond described in subsection (a)(2).''.

(B) Paragraphs (2) and (3)(B) of section 171(b) are each amended by striking ''paragraph (1)(B)(ii)'' and inserting ''paragraph (1)(B)(i)''.

(30) NET OPERATING LOSS CARRYBACKS, CARRYOVERS, AND CARRYFORWARDS.—

(A) Section 172 is amended—

(i) by striking subparagraphs (D), (H), (I) and (J) of subsection (b)(1) and by redesignating subparagraphs (E), (F), and (G) as subparagraphs (D), (E), and (F), respectively, and

(ii) by striking subsections (g) and (j) and by redesignating subsections (h), (i), and (k) as subsections (g), (h), and (i), respectively.

(B) Each of the following provisions of section 172 (as redesignated by subparagraph (A)) are amended as follows:

(i) By striking ''ending after August 2, 1989'' in subsection (b)(1)(D)(i)(II).

(ii) By striking ''subsection (h)'' in subsection (b)(1)(D)(ii) and inserting ''subsection (g)''.

(iii) By striking ''section 165(h)(3)(C)(i)'' in subsection (b)(1)(E)(ii)(II), as amended by this Act, and inserting ''section 165(i)(5)''.

(iv) By striking ''subsection (i)'' and all that follows in the last sentence of subsection (b)(1)(E)(ii) and inserting ''subsection (h)).''.

(v) By striking ''subsection (i)'' in subsection (b)(1)(F) and inserting ''subsection (h)''.

(vi) By striking subparagraph (F) of paragraph (2) of subsection (g).

(vii) By striking ''subsection (b)(1)(E)'' each place it appears in subsection (g)(4) and inserting ''subsection (b)(1)(D)''.

(viii) By striking the last sentence of subsection (h)(1).

(ix) By striking ''subsection (b)(1)(G)'' each place it appears in subsection (h)(3) and inserting ''subsection (b)(1)(F)''.

(C) Paragraph (5) of section 382(l) is amended by striking subparagraph (F) and by redesignating subparagraphs (G) and (H) as subparagraphs (F) and (G), respectively.

(31) RESEARCH AND EXPERIMENTAL EXPENDITURES.—Subparagraph (A) of section 174(a)(2) is amended to read as follows:

''(I) WITHOUT CONSENT.—A taxpayer may, without the consent of the Secretary, adopt the method provided in this subsection for his first taxable year for which expenditures described in paragraph (1) are paid or incurred.''.

(32) AMORTIZATION OF CERTAIN RESEARCH AND EXPERIMENTAL EXPENDITURES.—Paragraph (2) of section 174(b) is amended by striking ''beginning after December 31, 1953''.

(33) SOIL AND WATER CONSERVATION EXPENDITURES.—Paragraph (1) of section 175(d) is amended to read as follows:

''(1) WITHOUT CONSENT.—A taxpayer may, without the consent of the Secretary, adopt the method provided in this section for the taxpayer's first taxable year for which expenditures described in subsection (a) are paid or incurred.''.

(34) CLEAN-FUEL VEHICLES.—

(A) Part VI of subchapter A of chapter 1 is amended by striking section 179A (and by striking the item relating to such section in the table of sections for such part).

(B) Section 30C(e) is amended by adding at the end the following:

''(7) REFERENCE.—For purposes of this section, any reference to section 179A shall be treated as a reference to such section as in effect immediately before its repeal.''.

(C) Section 62(a) is amended by striking paragraph (14).

(D) Section 263(a)(1) is amended by striking subparagraph (H).

(E) Section 280F(a)(1) is amended by striking subparagraph (C).

(F) Section 312(k)(3) is amended by striking ''179A,'' each place it appears.

(G) Section 1016(a) is amended by striking paragraph (24).

(H) Section 1245(a) is amended by striking ''179A,'' each place it appears in paragraphs (2)(C) and (3)(C).

(35) QUALIFIED DISASTER EXPENSES.—Part VI of subchapter A of chapter 1 is amended by striking section 198A (and by striking the item relating to such section in the table of sections for such part).

(36) ACTIVITIES NOT ENGAGED IN FOR PROFIT.—Section 183(e)(1) is amended by striking the last sentence.

(37) DOMESTIC PRODUCTION ACTIVITIES.—

(A) Subsection (a) of section 199 is amended by striking paragraph (2) and by striking ''IN GENERAL.—'', by redesignating subparagraphs (A) and (B) of paragraph (1) as paragraphs (1) and (2), and by moving paragraphs (1) and (2) (as so redesignated) 2 ems to the left.

(B) Paragraphs (2) and (6)(B) of section 199(d) are each amended by striking ''(a)(1)(B)'' and inserting ''(a)(2)''.

(38) RETIREMENT SAVINGS.—

(A) Subparagraph (A) of section 219(b)(5) is amended to read as follows:

''(A) IN GENERAL.—The deductible amount is $5,000.''.

(B) Clause (ii) of section 219(b)(5)(B) is amended to read:

''(ii) APPLICABLE AMOUNT.—For purposes of clause (i), the applicable amount is $1,000.''.

(C) Clause (ii) of section 219(g)(2)(A) is amended by striking ''for a taxable year beginning after December 31, 2006''.

(D) Section 219(g)(3)(B) is amended by striking clauses (i) and (ii) and inserting the following:

''(i) In the case of a taxpayer filing a joint return, $80,000.

''(ii) In the case of any other taxpayer (other than a married individual filing a separate return), $50,000.''.

(E) Paragraph (8) of section 219(g) is amended by striking ''the dollar amount in the last row of the table contained in paragraph (3)(B)(i), the dollar amount in the last row of the table contained in paragraph (3)(B)(ii), and the dollar amount contained in paragraph (7)(A),'' and inserting ''each of the dollar amounts in paragraphs (3)(B)(i), (3)(B)(ii), and (7)(A)''.

(39) REPORTS REGARDING QUALIFIED VOLUNTARY RETIREMENT CONTRIBUTIONS.—

(A) Section 219 is amended by striking paragraph (4) of subsection (f) and subsection (h).

(B) Section 6652 is amended by striking subsection (g).

(40) INTEREST ON EDUCATION LOANS.—Paragraph (1) of section 221(b) is amended by striking ''shall not exceed'' and all that follows and inserting ''shall not exceed $2,500.''.

(41) DIVIDENDS RECEIVED ON CERTAIN PREFERRED STOCK; AND DIVIDENDS PAID ON CERTAIN PREFERRED STOCK OF PUBLIC UTILITIES.—

(A) Sections 244 and 247 are hereby repealed, and the table of sections for part VIII of subchapter B of chapter 1 is amended by striking the items relating to sections 244 and 247.

(B) Paragraph (5) of section 172(d) is amended to read as follows:

''(5) COMPUTATION OF DEDUCTION FOR DIVIDENDS RECEIVED.—The deductions allowed by section 243 (relating to dividends received by corporations) and 245 (relating to dividends received from certain foreign corporations) shall be computed without regard to section 246(b) (relating to limitation on aggregate amount of deductions).''.

(C) Paragraph (1) of section 243(c) is amended to read as follows:

''(1) IN GENERAL.—In the case of any dividend received from a 20-percent owned corporation, subsection (a)(1) shall be applied by substituting '80 percent' for '70 percent'.''.

(D) Section 243(d) is amended by striking paragraph (4).

(E) Section 246 is amended—

(i) by striking '', 244,'' in subsection (a)(1),

(ii) in subsection (b)(1)—

(I) by striking ''sections 243(a)(1), and 244(a),'' the first place it appears and inserting ''section 243(a)(1)'',

(II) by striking ''244(a),'' the second place it appears, and

(III) by striking ''subsection (a) or (b) of section 245, and 247,'' and inserting ''and subsection (a) or (b) of section 245,'', and

(iii) by striking '', 244,'' in subsection (c)(1).

(F) Section 246A is amended by striking '', 244,'' both places it appears in subsections (a) and (e).

(G) Sections 263(g)(2)(B)(iii), 277(a), 301(e)(2), 469(e)(4), 512(a)(3)(A), subparagraphs (A), (C), and (D) of section 805(a)(4), 805(b)(5), 812(e)(2)(A), 815(c)(2)(A)(iii), 832(b)(5), 833(b)(3)(E), and 1059(b)(2)(B) are each amended by striking '', 244,'' each place it appears.

(H) Section 1244(c)(2)(C) is amended by striking ''244,''.

(I) Section 805(a)(4)(B) is amended by striking '', 244(a),'' each place it appears.

(J) Section 810(c)(2)(B) is amended by striking ''244 (relating to dividends on certain preferred stock of public utilities),''.

(K) The amendments made by this paragraph shall not apply to preferred stock issued before October 1, 1942 (determined in the same manner as under section 247 of the Internal Revenue Code of 1986 as in effect before its repeal by such amendments).

(42) ORGANIZATION EXPENSES.—Section 248(c) is amended by striking ''beginning after December 31, 1953,'' and by striking the last sentence.

(43) BOND REPURCHASE PREMIUM.—Section 249(b)(1) is amended by striking '', in the case of bonds or other evidences of indebtedness issued after February 28, 1913,''.

(44) AMOUNT OF GAIN WHERE LOSS PREVIOUSLY DISALLOWED.—Section 267(d) is amended by striking ''(or by reason of section 24(b) of the Internal Revenue Code of 1939)'' in paragraph (1), by striking ''after December 31, 1953,'' in paragraph (2), by striking the second sentence, and by striking ''or by reason of section 118 of the Internal Revenue Code of 1939'' in the last sentence.

(45) ACQUISITIONS MADE TO EVADE OR AVOID INCOME TAX.—Paragraphs (1) and (2) of section 269(a) are each amended by striking ''or acquired on or after October 8, 1940,''.

(46) MEALS AND ENTERTAINMENT.—Paragraph (3) of section 274(n) is amended—

(A) by striking ''(A) IN GENERAL.—'',

(B) by striking ''substituting 'the applicable percentage' for'' and inserting ''substituting '80 percent' for'', and

(C) by striking subparagraph (B).

(47) INTEREST ON INDEBTEDNESS INCURRED BY CORPORATIONS TO ACQUIRE STOCK OR ASSETS OF ANOTHER CORPORATION.—

(A) Section 279 is amended—

(i) by striking ''after December 31, 1967,'' in subsection (a)(2),

(ii) by striking ''after October 9, 1969,'' in subsection (b),

(iii) by striking ''after October 9, 1969, and'' in subsection (d)(5), and

(iv) by striking subsection (i) and redesignating subsection (j) as subsection (i).

(B) The amendments made by this paragraph shall not—

(i) apply to obligations issued on or before October 9, 1969 (determined in the same manner as under section 279 of the Internal Revenue Code of 1986 as in effect before such amendments), and

(ii) be construed to require interest on obligations issued on or before December 31, 1967, to be taken into account under section 279(a)(2) of such Code (as in effect after such amendments).

(48) BANK HOLDING COMPANIES.—

(A) Clause (iii) of section 304(b)(3)(D) is repealed.

(B) The heading of subparagraph (D) of section 304(b)(3) is amended by striking ''AND SPECIAL RULE.''

(49) EFFECT ON EARNINGS AND PROFITS.—Subsection (d) of section 312 is amended by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(50) DISQUALIFIED STOCK.—Paragraph (3) of section 355(d) is amended by striking ''after October 9, 1990, and'' each place it appears.

(51) BASIS TO CORPORATIONS.—Section 362 is amended by striking ''on or after June 22, 1954'' in subsection (a) and by striking '', on or after June 22, 1954,'' each place it appears in subsection (c).

(52) INDIVIDUAL RETIREMENT ACCOUNTS.—Clause (i) of section 408(p)(2)(E) is amended to read as follows:

''(i) IN GENERAL.—For purposes of subparagraph (A)(ii), the applicable amount is $10,000.''.

(53) TAX CREDIT EMPLOYEE STOCK OWNERSHIP PLANS.—Section 409 is amended by striking subsection (q).

(54) CATCH-UP CONTRIBUTIONS.—Subparagraph (B) of section 414(v)(2) is amended to read as follows:

''(II)(i) In the case of an applicable employer plan other than a plan described in section 401(k)(11) or 408(p), the applicable dollar amount is $5,000.

''(ii) In the case of an applicable employer plan described in section 401(k)(11) or 408(p), the applicable dollar amount is $2,500.''.

(55) EMPLOYEE STOCK PURCHASE PLANS.—Section 423(a) is amended by striking ''after December 31, 1963,''.

(56) TRANSITION RULES.—

(A)(i) Paragraph (5) of section 430(c) is amended by striking subparagraph (B) and by striking ''(A) IN GENERAL.—''

(ii) Paragraph (5) of section 303(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C.1082(c)) is amended by striking subparagraph (B) and by striking ''(A) IN GENERAL.—''

(B)(i) Paragraph (2) of section 430(h) is amended by striking subparagraph (G).

(ii) Paragraph (2) of section 303(h) of the Employee Retirement Income Security Act of 1974 (29 U.S.C.1082(h)) is amended by striking subparagraph (G).

(C)(i) Paragraph (3) of section 436(j) is amended by striking subparagraphs (B) and (C) and by striking ''(A) IN GENERAL.—''.

(ii) Subparagraph (C) of section 206(g)(9) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(g)(9)) is amended by striking clauses (ii) and (iii) and by striking ''(i) IN GENERAL.—''.

(D)(i) Section 436 is amended by striking subsection (m).

(ii) Section 206(g) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(g)) is amended by striking paragraph (10).

(57) LIMITATION ON DEDUCTIONS FOR CERTAIN FARMING.—

(A) Section 464 is amended by striking ''any farming syndicate (as defined in subsection (c))'' both places it appears in subsections (a) and (b) and inserting ''any taxpayer to whom subsection (d) applies''.

(B)(i) Subsection (c) of section 464 is hereby moved to the end of section 461 and redesignated as subsection (j).

(ii) Such subsection (j) is amended—

(I) by striking ''For purposes of this section'' in paragraph (1) and inserting ''For purposes of subsection (i)(4)'', and

(II) by adding at the end the following new paragraphs:

''(3) FARMING.—For purposes of this subsection, the term 'farming' has the meaning given to such term by section 464(e).

''(4) LIMITED ENTREPRENEUR.—For purposes of this subsection, the term 'limited entrepreneur' means a person who—

''(A) has an interest in an enterprise other than as a limited partner, and

''(B) does not actively participate in the management of such enterprise.''.

(iii) Paragraph (4) of section 461(i) is amended by striking ''section 464(c)'' and inserting ''subsection (j)''.

(C) Section 464 is amended—

(i) by striking subsections (e) and (g) and redesignating subsections (d) and (f) as subsections (c) and (d), respectively, and

(ii) by adding at the end the following new subsection:

''(e) FARMING.—For purposes of this section, the term 'farming' means the cultivation of land or the raising or harvesting of any agricultural or horticultural commodity including the raising, shearing, feeding, caring for, training, and management of animals. For purposes of the preceding sentence, trees (other than trees bearing fruit or nuts) shall not be treated as an agricultural or horticultural commodity.''.

(D) Subsection (d) of section 464 of such Code (as redesignated by subparagraph (C)) is amended—

(i) by striking paragraph (1) and redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively, and

(ii) by striking ''SUBSECTIONS (A) AND (B) TO APPLY TO'' in the heading.

(E) Subparagraph (A) of section 58(a)(2) is amended by striking ''section 464(c)'' and inserting ''section 461(j)''.

(58) DEDUCTIONS LIMITED TO AMOUNT AT RISK.—Subparagraph (A) of section 465(c)(3) is amended by striking ''In the case of taxable years beginning after December 31, 1978, this'' and inserting ''This''.

(59) PASSIVE ACTIVITY LOSSES AND CREDITS LIMITED.—

(A) Section 469 is amended by striking subsection (m).

(B) Subsection (b) of section 58 is amended by adding ''and'' at the end of paragraph (1), by striking paragraph (2), and by redesignating paragraph (3) as paragraph (2).

(60) ADJUSTMENTS REQUIRED BY CHANGES IN METHOD OF ACCOUNTING.—Section 481(b)(3) is amended by striking subparagraph (C).

(61) EXEMPTION FROM TAX ON CORPORATIONS, CERTAIN TRUSTS, ETC.—Section 501 is amended by striking subsection (s).

(62) REQUIREMENTS FOR EXEMPTION.—

(A) Section 503(a)(1) is amended to read as follows:

''(1) GENERAL RULE.—An organization described in paragraph (17) or (18) of section 501(c), or described in section 401(a) and referred to in section 4975(g)(2) or (3), shall not be exempt from taxation under section 501(a) if it has engaged in a prohibited transaction.''.

(B) Paragraph (2) of section 503(a) is amended by striking ''described in section 501(c)(17) or (18) or paragraph (a)(1)(B)'' and inserting ''described in paragraph (1)''.

(C) Subsection (c) of section 503 is amended by striking ''described in section 501(c)(17) or (18) or subsection (a)(1)(B)'' and inserting ''described in subsection (a)(1)''.

(63) ACCUMULATED TAXABLE INCOME.—Paragraph (1) of section 535(b) and paragraph (1) of section 545(b) are each amended by striking ''section 531'' and all that follows and inserting ''section 531 or the personal holding company tax imposed by section 541.''.

(64) DEFINITION OF PROPERTY.—Subsection (b) of section 614 is amended—

(A) by striking paragraphs (3)(C) and (5), and

(B) in paragraph (4), by striking ''whichever of the following years is later: The first taxable year beginning after December 31, 1963, or''.

(65) AMOUNTS RECEIVED BY SURVIVING ANNUITANT UNDER JOINT AND SURVIVOR ANNUITY CONTRACT.—Subparagraph (A) of section 691(d)(1) is amended by striking ''after December 31, 1953, and''.

(66) INCOME TAXES OF MEMBERS OF ARMED FORCES ON DEATH.—Section 692(a)(1) is amended by striking ''after June 24, 1950''.

(67) SPECIAL RULES FOR COMPUTING RESERVES.—Paragraph (7) of section 807(e) is amended by striking subparagraph (B) and redesignating subparagraph (C) as subparagraph (B).

(68) INSURANCE COMPANY TAXABLE INCOME.—

(A) Section 832(e) is amended by striking ''of taxable years beginning after December 31, 1966,''.

(B) Section 832(e)(6) is amended by striking ''In the case of any taxable year beginning after December 31, 1970, the'' and inserting ''The''.

(69) CAPITALIZATION OF CERTAIN POLICY ACQUISITION EXPENSES.—Section 848 is amended by striking subsection (j).

(70) TAX ON NONRESIDENT ALIEN INDIVIDUALS.—Subparagraph (B) of section 871(a)(1) is amended to read as follows:

''(II) gains described in subsection (b) or (c) of section 631,''.

(71) LIMITATION ON CREDIT.—Paragraph (2) of section 904(d) is amended by striking subparagraph (J).

(72) FOREIGN EARNED INCOME.—Clause (i) of section 911(b)(2)(D) is amended to read as follows:

''(i) IN GENERAL.—The exclusion amount for any calendar year is $80,000.''.

(73) BASIS OF PROPERTY ACQUIRED FROM DECEDENT.—Section 1014 is amended—

(A) by striking ''or section 811(j) of the Internal Revenue Code of 1939 where the decedent died after October 21, 1942'' in subsection (a)(2), and

(B) by striking paragraphs (7) and (8) of subsection (b).

(74) ADJUSTED BASIS.—Section 1016(a) is amended by striking paragraph (12).

(75) PROPERTY ON WHICH LESSEE HAS MADE IMPROVEMENTS.—Section 1019 is amended by striking the last sentence.

(76) INVOLUNTARY CONVERSION.—Section 1033 is amended by striking subsection (j) and by redesignating subsections (k) and (l) as subsections (j) and (k), respectively.

(77) PROPERTY ACQUIRED DURING AFFILIATION.—Section 1051 is hereby repealed, and the table of sections for part IV of subchapter O of chapter 1 is amended by striking the item relating to section 1051.

(78) CAPITAL GAINS AND LOSSES.—Section 1222 is amended by striking the last sentence.

(79) HOLDING PERIOD OF PROPERTY.—

(A) Paragraph (1) of section 1223 is amended by striking ''after March 1, 1954,''.

(B) Paragraph (4) of section 1223 is amended by striking '' '(or under so much of section 1052(c) as refers to section 113(a)(23) of the Internal Revenue Code of 1939)' ''.

(C) Paragraphs (6) and (8) of section 1223 are repealed.

(80) PROPERTY USED IN THE TRADE OR BUSINESS AND INVOLUNTARY CONVERSIONS.—Subparagraph (A) of section 1231(c)(2) is amended by striking ''beginning after December 31, 1981''.

(81) SALE OR EXCHANGE OF PATENTS.—Section 1235 is amended—

(A) by striking subsection (c) and by redesignating subsections (d) and (e) as subsections (c) and (d), respectively, and

(B) by striking ''subsection (d)'' in subsection (b)(2)(B) and inserting ''subsection (c)''.

(82) DEALERS IN SECURITIES.—Subsection (b) of section 1236 is amended by striking ''after November 19, 1951,''.

(83) SALE OF PATENTS.—Subsection (a) of section 1249 is amended by striking ''after December 31, 1962,''.

(84) GAIN FROM DISPOSITION OF FARMLAND.—Paragraph (1) of section 1252(a) is amended—

(A) by striking ''after December 31, 1969'' the first place it appears, and

(B) by striking ''after December 31, 1969,'' in subparagraph (A).

(85) TREATMENT OF AMOUNTS RECEIVED ON RETIREMENT OR SALE OR EXCHANGE OF DEBT INSTRUMENTS.—Subsection (c) of section 1271 is amended to read as follows:

''(c) SPECIAL RULE FOR CERTAIN OBLIGATIONS WITH RESPECT TO WHICH ORIGINAL ISSUE DISCOUNT NOT CURRENTLY INCLUDIBLE.—

''(1) IN GENERAL.—On the sale or exchange of debt instruments issued by a government or political subdivision thereof after December 31, 1954, and before July 2, 1982, or by a corporation after December 31, 1954, and on or before May 27, 1969, any gain realized which does not exceed—

''(A) an amount equal to the original issue discount, or

''(B) if at the time of original issue there was no intention to call the debt instrument before maturity, an amount which bears the same ratio to the original issue discount as the number of complete months that the debt instrument was held by the taxpayer bears to the number of complete months from the date of original issue to the date of maturity, shall be considered as ordinary income.

''(2) SUBSECTION (A)(2)(A) NOT TO APPLY.—Subsection (a)(2)(A) shall not apply to any debt instrument referred to in paragraph (1) of this subsection.

''(3) CROSS REFERENCE.—For current inclusion of original issue discount, see section 1272.''.

(86) AMOUNT AND METHOD OF ADJUSTMENT.—Section 1314 is amended by striking subsection (d) and by redesignating subsection (e) as subsection (d).

(87) ELECTION; REVOCATION; TERMINATION.—Clause (iii) of section 1362(d)(3)(A) is amended by striking ''unless'' and all that follows and inserting ''unless the corporation was an S corporation for such taxable year.''.

(88) OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE.—Subsection (a) of section 1401 is amended by striking ''the following percent'' and all that follows and inserting ''12.4 percent of the amount of the self-employment income for such taxable year.''.

(89) HOSPITAL INSURANCE.—Paragraph (1) of section 1401(b) is amended by striking: ''the following percent'' and all that follows and inserting ''2.9 percent of the amount of the self-employment income for such taxable year.''.

(90) MINISTERS, MEMBERS OF RELIGIOUS ORDERS, AND CHRISTIAN SCIENCE PRACTITIONERS.—Paragraph (3) of section 1402(e) is amended—

(A) by striking ''whichever of the following dates is later: (A)'' and

(B) by striking '';or (B)' '' and all that follows and inserting a period.

(91) WITHHOLDING OF TAX ON NONRESIDENT ALIENS.—The first sentence of subsection (b) of section 1441 and the first sentence of paragraph (5) of section 1441(c) are each amended by striking ''gains subject to tax'' and all that follows through ''October 4, 1966'' and inserting ''and gains subject to tax under section 871(a)(1)(D)''.

(92) AFFILIATED GROUP DEFINED.—Subparagraph (A) of section 1504(a)(3) is amended by striking ''for a taxable year which includes any period after December 31, 1984'' in clause

(i) and by striking ''in a taxable year beginning after December 31, 1984'' in clause (ii).

(93) DISALLOWANCE OF THE BENEFITS OF THE GRADUATED CORPORATE RATES AND ACCUMULATED EARNINGS CREDIT.—

(A) Subsection (a) of section 1551 is amended—

(i) by striking paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively, and

(ii) by striking ''after June 12, 1963,'' each place it appears.

(B) Section 1551(b) is amended—

(i) by striking ''or (2)'' in paragraph (1), and

(ii) by striking ''(a)(3)'' in paragraph (2) and inserting ''(a)(2)''.

(94) CREDIT FOR STATE DEATH TAXES.—

(A)(i) Part II of subchapter A of chapter 11 is amended by striking section 2011 (and by striking the item relating to such section in the table of sections for such subpart).

(ii) Section 2106(a)(4) is amended by striking ''section 2011(a)'' and inserting ''2058(a)''.

(B)(i) Subchapter A of chapter 13 is amended by striking section 2604 (and by striking the item relating to such section in the table of sections for such subpart).

(ii) Clause (ii) of section 164(b)(4)(A) is amended by inserting ''(as in effect before its repeal)'' after ''section 2604''.

(iii) Section 2654(a)(1) is amended by striking ''(computed without regard to section 2604)''.

(95) GROSS ESTATE.—Subsection (c) of section 2031 is amended by striking paragraph (3) and by amending paragraph (1)(B) to read as follows:

''(II) $500,000.''.

(96)(A) Part IV of subchapter A of chapter 11 is amended by striking section 2057 (and by striking the item relating to such section in the table of sections for such subpart).

(B) Paragraph (10) of section 2031(c) is amended by inserting ''(as in effect before its repeal)'' immediately before the period at the end thereof.

(97) PROPERTY WITHIN THE UNITED STATES.—Subsection (c) of section 2104 is amended by striking ''With respect to estates of decedents dying after December 31, 1969, deposits'' and inserting ''Deposits''.

(98) FICA TAXES.—

(A) Subsection (a) of section 3101 is amended by striking ''the following percentages'' and all that follows and inserting ''6.2 percent of the wages (as defined in section 3121(a)) received by the individual with respect to employment (as defined in section 3121(b))''.

(B)(i) Subsection (a) of section 3111 is amended by striking ''the following percentages'' and all that follows and inserting ''6.2 percent of the wages (as defined in section 3121(a)) paid by the employer with respect to employment (as defined in section 3121(b)).''

(ii) Subsection (b) of section 3111 is amended by striking ''the following percentages'' and all that follows and inserting ''1.45 percent of the wages (as defined in section 3121(a)) paid by the employer with respect to employment (as defined in section 3121(b)).''

(C)(i) Section 3121(b) is amended by striking paragraph (17).

(ii) Section 210(a) of the Social Security Act is amended by striking paragraph (17).

(99) RAILROAD RETIREMENT.—

(A) Subsection (b) of section 3201 is amended to read as follows:

''(b) TIER 2 TAX.—In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the percentage determined under section 3241 for any calendar year of the compensation received during such calendar year by such employee for services rendered by such employee.''.

(B) Subsection (b) of section 3211 is amended to read as follows:

''(b) TIER 2 TAX.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the percentage determined under section 3241 for any calendar year of the compensation received during such calendar year by such employee representative for services rendered by such employee representative.''.

(C) Subsection (b) of section 3221 is amended to read as follows:

''(b) TIER 2 TAX.—In addition to other taxes, there is hereby imposed on the income of each employer a tax equal to the percentage determined under section 3241 for any calendar year of the compensation paid during such calendar year by such employer for services rendered for such employer.''.

(D) Subsection (b) of section 3231 is amended—

(i) by striking ''compensation; except'' and all that follows in the first sentence and inserting ''compensation.'', and

(ii) by striking the second sentence.

(100) CREDITS AGAINST FEDERAL UNEMPLOYMENT TAX.—

(A) Paragraph (4) of section 3302(f) is amended—

(i) by striking ''subsection—'' and all that follows through ''(A) IN GENERAL.—The'' and inserting ''subsection, the''

(ii) by striking subparagraph (B),

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

(iv) by moving the text of such subparagraphs (as so redesignated) 2 ems to the left.

(B) Paragraph (5) of section 3302(f) is amended by striking subparagraph (D) and by redesignating subparagraph (E) as subparagraph (D).

(101) DOMESTIC SERVICE EMPLOYMENT TAXES.—Section 3510(b) is amended by striking paragraph (4).

(102) LUXURY PASSENGER AUTOMOBILES.—

(A) Chapter 31 is amended by striking subchapter A (and by striking the item relating to such subchapter in the table of subchapters for such chapter).

(B)(i) Section 4221 is amended—

(I) in subsections (a) and (d)(1), by striking ''subchapter A or'' and inserting ''subchapter'',

(II) in subsection (a), by striking ''In the case of taxes imposed by subchapter A of chapter 31, paragraphs (1), (3), (4), and (5) shall not apply.'', and

(III) in subsection (c), by striking ''4001(c), 4001(d), or''.

(ii) Section 4222 is amended by striking ''4001(c), 4001(d),''.

(iii) Section 4293 is amended by striking ''subchapter A of chapter 31,''.

(103) TAX ON FUEL USED IN COMMERCIAL TRANSPORTATION ON INLAND WATERWAYS.—Section 4042(b)(2)(A) is amended to read as follows:

''(I) The Inland Waterways Trust Fund financing rate is 20 cents per gallon.''.

(104) TRANSPORTATION BY AIR.—Section 4261(e) is amended—

(A) in paragraph (1), by striking subparagraph (C), and

(B) by striking paragraph (5).

(105) TAXES ON FAILURE TO DISTRIBUTE INCOME.—

(A) Subsection (g) of section 4942 is amended by striking ''For all taxable years beginning on or after January 1, 1975, subject'' in paragraph (2)(A) and inserting ''Subject''.

(B) Section 4942(i)(2) is amended by striking ''beginning after December 31, 1969, and''.

(106) TAXES ON TAXABLE EXPENDITURES.—Section 4945(f) is amended by striking ''(excluding therefrom any preceding taxable year which begins before January 1, 1970)''.

(107) DEFINITIONS AND SPECIAL RULES.—Section 4682(h) is amended—

(A) by striking paragraph (1) and redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively, and

(B) in paragraph (1) (as so redesignated)—

(i) by striking the heading and inserting ''IN GENERAL'', and

(ii) by striking ''after 1991'' in subparagraph (C).

(108) RETURNS.—Subsection (a) of section 6039D is amended by striking ''beginning after December 31, 1984,''.

(109) INFORMATION RETURNS.—Subsection (c) of section 6060 is amended by striking '''year'' and all that follows and inserting ''year.''.

(110) COLLECTION.—Section 6302 is amended—

(A) in subsection (e)(2), by striking ''imposed by'' and all that follows through ''with respect to'' and inserting ''imposed by sections 4251, 4261, or 4271 with respect to'',

(B) by striking the last sentence of subsection (f)(1), and

(C) in subsection (h)—

(i) by striking paragraph (2) and redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively, and

(ii) by amending paragraph (3) (as so redesignated) to read as follows:

''(3) COORDINATION WITH OTHER ELECTRONIC FUND TRANSFER REQUIREMENTS.—Under regulations, any tax required to be paid by electronic fund transfer under section 5061(e) or 5703(b) shall be paid in such a manner as to ensure that the requirements of the second sentence of paragraph (1)(A) of this subsection are satisfied.''.

(111) ABATEMENTS.—Section 6404(f) is amended by striking paragraph (3).

(112) 2008 RECOVERY REBATE FOR INDIVIDUALS.—

(A) Subchapter B of chapter 65 is amended by striking section 6428 (and by striking the item relating to such section in the table of sections for such subchapter).

(B) Subparagraph (A) of section 6211(b)(4) is amended by striking ''6428,''.

(C) Paragraph (2) of section 6213(g), as amended by section 213(a)(2) and paragraphs (4) and (5)(C) of this subsection, is amended by striking subparagraph (Q), by redesignating subparagraph (O) as subparagraph (N), by inserting ''and'' at the end of subparagraph (M), and by striking the comma at the end of subparagraph (N) (as so redesignated) and inserting a period.

(D) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by striking ''6428, or 6431,'' and inserting ''or 6431''.

(113) ADVANCE PAYMENT OF PORTION OF INCREASED CHILD CREDIT FOR 2003.—Subchapter B of chapter 65 is amended by striking section 6429 (and by striking the item relating to such section in the table of sections for such subchapter).

(114) FAILURE BY CORPORATION TO PAY ESTIMATED INCOME TAX.—Clause (i) of section 6655(g)(4)(A) is amended by striking ''(or the corresponding provisions of prior law)''.

(115) RETIREMENT.—Section 7447(i)(3)(B)(ii) is amended by striking ''at 4 percent per annum to December 31, 1947, and at 3 percent per annum thereafter'', and inserting ''at 3 percent per annum''.

(116) ANNUITIES TO SURVIVING SPOUSES AND DEPENDENT CHILDREN OF JUDGES.—

(A) Paragraph (2) of section 7448(a) is amended—

(i) by striking ''or under section 1106 of the Internal Revenue Code of 1939'' and,

(ii) by striking ''or pursuant to section 1106(d) of the Internal Revenue Code of 1939''.

(B) Subsection (g) of section 7448 is amended by striking ''or other than pursuant to section 1106 of the Internal Revenue Code of 1939''.

(C) Subsections (g), (j)(1), and (j)(2) of section 7448 are each amended by striking ''at 4

percent per annum to December 31, 1947, and at 3 percent per annum thereafter'' and inserting ''at 3 percent per annum''.

(117) MERCHANT MARINE CAPITAL CONSTRUCTION FUNDS.—Paragraph (4) of section 7518(g) is amended by striking ''any nonqualified withdrawal'' and all that follows through '' 'shall be determined'' and inserting ''any nonqualified withdrawal shall be determined''.

(118) VALUATION TABLES.—

(A) Subsection (c) of section 7520 is amended by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(B) Paragraph (2) of section 7520(c) (as redesignated by subparagraph (A)) is amended—

(i) by striking ''Not later than December 31, 1989, the'' and inserting ''The'', and

(ii) by striking ''thereafter'' in the last sentence thereof.

(119) DEFINITION OF EMPLOYEE.—Section 7701(a)(20) is amended by striking ''chapter 21'' and all that follows and inserting ''chapter 21.''.

(b) EFFECTIVE DATE.—

(1) GENERAL RULE.—Except as otherwise provided in subsection (a) or paragraph (2) of this subsection, the amendments made by this section shall take effect on the date of enactment of this Act.

(2) SAVINGS PROVISION.—If—

(A) any provision amended or repealed by the amendments made by this section applied to—

(i) any transaction occurring before the date of the enactment of this Act,

(ii) any property acquired before such date of enactment, or

(iii) any item of income, loss, deduction, or credit taken into account before such date of enactment, and

(B) the treatment of such transaction, property, or item under such provision would (without regard to the amendments or repeals made by this section) affect the liability for tax for periods ending after date of enactment, nothing in the amendments or repeals made by this section shall be construed to affect the treatment of such transaction, property, or item for purposes of determining liability for tax for periods ending after such date of enactment.

TITLE III—HIRE MORE HEROES

SEC. 301. SHORT TITLE.

This title may be cited as the ''Hire More Heroes Act of 2014''.

SEC. 302. EMPLOYEES WITH HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION MAY BE EXEMPTED FROM EMPLOYER MANDATE UNDER PATIENT PROTECTION AND AFFORDABLE CARE ACT.

(a) IN GENERAL.—Section 4980H(c)(2) is amended by adding at the end the following:

''(F) EXEMPTION FOR HEALTH COVERAGE UNDER TRICARE OR THE VETERANS ADMINISTRATION.—Solely for purposes of determining whether an employer is an applicable large employer under this paragraph for any month, an employer may elect not to take into account for a month as an employee any individual who, for such month, has medical coverage under—

''(i) chapter 55 of title 10, United States Code, including coverage under the TRICARE program, or

''(ii) under a health care program under chapter 17 or 18 of title 38, United States Code, as determined by the Secretary of Veterans Affairs, in coordination with the Secretary of Health and Human Services and the Secretary.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to months beginning after December 31, 2013.

TITLE IV—BUDGETARY EFFECTS

SEC. 401. 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).

SA 3061. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of part I of subtitle A of title I, insert the following:

Subpart B—Certain Provisions Made Permanent

SEC. 111. PERMANENT EXTENSION OF DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2), as amended by this Act, is amended by striking ''In the case of taxable years beginning during 2002'' and all that follows through ''deductions'' and inserting ''The deductions''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2015.

SEC. 112. PERMANENT EXTENSION OF DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES.

(a) IN GENERAL.—Section 164(b)(5), as amended by this Act, is amended by striking subparagraph (I).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2015.

SEC. 113. PERMANENT EXTENSION OF ABOVE-THE-LINE DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Section 222, as amended by this Act, is amended by striking subsection (e).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2015.

SA 3062. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of part II of subtitle A of title I, insert the following:

Subpart B—Certain Provisions Made Permanent

SEC. 142. PERMANENT EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) SIMPLIFIED CREDIT FOR QUALIFIED RESEARCH EXPENSES.—Subsection (a) of section 41 is amended to read as follows:

''(a) GENERAL RULE.—For purposes of section 38, the research credit determined under this section for the taxable year shall be an amount equal to 20 percent of so much of the qualified research expenses for the taxable year as exceeds 50 percent of the average qualified research expenses for the 3 taxable years preceding the taxable year for which the credit is being determined.''.

(b) SPECIAL RULES AND TERMINATION OF BASE AMOUNT CALCULATION.—

(1) IN GENERAL.—Subsection (c) of section 41 is amended to read as follows:

''(c) SPECIAL RULE IN CASE OF NO QUALIFIED RESEARCH EXPENSES IN ANY OF 3 PRECEDING TAXABLE YEARS.—

''(1) TAXPAYERS TO WHICH SUBSECTION APPLIES.—The credit under this section shall be determined under this subsection, and not under subsection (a), if, in any one of the 3 taxable years preceding the taxable year for which the credit is being determined, the taxpayer has no qualified research expenses.

''(2) CREDIT RATE.—The credit determined under this subsection shall be equal to 10 percent of the qualified research expenses for the taxable year.''.

(2) CONSISTENT TREATMENT OF EXPENSES.—Subsection (b) of section 41 is amended by adding at the end the following new paragraph:

''(5) CONSISTENT TREATMENT OF EXPENSES REQUIRED.—

''(A) IN GENERAL.—Notwithstanding whether the period for filing a claim for credit or refund has expired for any taxable year in the 3-taxable-year period taken into account under subsection (a), the qualified research expenses taken into account for such year shall be determined on a basis consistent with the determination of qualified research expenses for the credit year.

''(B) PREVENTION OF DISTORTIONS.—The Secretary may prescribe regulations to prevent distortions in calculating a taxpayer's qualified research expenses caused by a change in accounting methods used by such taxpayer between the credit year and a year in such 3-taxable-year period.''.

(c) INCLUSION OF QUALIFIED RESEARCH EXPENSES OF AN ACQUIRED PERSON.—

(1) PARTIAL INCLUSION OF PRE-ACQUISITION QUALIFIED RESEARCH EXPENSES.—Subparagraph (A) of section 41(f)(3) is amended to read as follows:

''(A) ACQUISITIONS.—

''(i) IN GENERAL.—If a person acquires the major portion of a trade or business of another person (hereinafter in this paragraph referred to as the 'predecessor') or the major portion of a separate unit of a trade or business of a predecessor, then the amount of qualified research expenses paid or incurred by the acquiring person during the 3 taxable years preceding the taxable year in which the credit under this section is determined shall be increased by—

''(I) for purposes of applying this section for the taxable year in which such acquisition is made, the amount determined under clause (ii), and

''(II) for purposes of applying this section for any taxable year after the taxable year in which such acquisition is made, so much of the qualified research expenses paid or incurred by the predecessor with respect to the acquired trade or business during the portion of the measurement period that is part of the 3-taxable-year period preceding the taxable year for which the credit is determined as is attributable to the portion of such trade or business or separate unit acquired by such person.

''(ii) AMOUNT DETERMINED.—The amount determined under this clause is the amount equal to the product of—

''(I) so much of the qualified research expenses paid or incurred by the predecessor

with respect to the acquired trade or business during the 3 taxable years before the taxable year in which the acquisition is made as is attributable to the portion of such trade or business or separate unit acquired by the acquiring person, and

''(II) the number of months in the period beginning on the date of the acquisition and ending on the last day of the taxable year in which the acquisition is made,

divided by 12.

''(iii) SPECIAL RULES FOR COORDINATING TAXABLE YEARS.—In the case of an acquiring person and a predecessor whose taxable years do not begin on the same date—

''(I) each reference to a taxable year in clauses (i) and (ii) shall refer to the appropriate taxable year of the acquiring person,

''(II) the qualified research expenses paid or incurred by the predecessor during each taxable year of the predecessor any portion of which is part of the measurement period shall be allocated equally among the months of such taxable year, and

''(III) the amount of such qualified research expenses taken into account under clauses (i) and (ii) with respect to a taxable year of the acquiring person shall be equal to the total of the expenses attributable under subclause (II) to the months occurring during such taxable year.

''(iv) MEASUREMENT PERIOD.—For purposes of this subparagraph, the term 'measurement period' means the taxable year of the acquiring person in which the acquisition is made and the 3 taxable years of the acquiring person preceding such taxable year.''.

(2) EXPENSES OF A PREDECESSOR.—Subparagraph (B) of section 41(f)(3) is amended to read as follows:

''(B) DISPOSITIONS.—If the predecessor furnished to the acquiring person such information as is necessary for the application of subparagraph (A), then, for purposes of applying this section for any taxable year ending after such disposition, the amount of qualified research expenses paid or incurred by the predecessor during the 3 taxable years preceding such taxable year shall be reduced—

''(i) in the case of the taxable year in which such disposition is made, by an amount equal to the product of—

''(I) the amount of qualified research expenses paid or incurred during such 3 taxable years with respect to the acquired business, and

''(II) the number of days in the period beginning on the date of acquisition (as determined for purposes of subparagraph (A)(ii)(II)) and ending on the last day of the taxable year of the predecessor in which the disposition is made,

divided by the number of days in the taxable year of the predecessor, and

''(ii) in the case of any taxable year ending after the taxable year in which such disposition is made, the amount described in clause (i)(I).''.

(d) AGGREGATION OF EXPENDITURES.—Paragraph (1) of section 41(f), as amended by the American Taxpayer Relief Act of 2012, is amended—

(1) by striking ''of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums,'' in subparagraph (A)(ii) and inserting ''qualified research expenses'', and

(2) by striking ''of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums,'' in subparagraph (B)(ii) and inserting ''qualified research expenses''.

(e) PERMANENT EXTENSION.—

(1) Section 41 is amended by striking subsection (h), as amended by this Act.

(2) Paragraph (1) of section 45C(b) is amended by striking subparagraph (D), as amended by this Act.

(f) CONFORMING AMENDMENTS.—

(1) TERMINATION OF BASIC RESEARCH PAYMENT CALCULATION.—Section 41 is amended—

(A) by striking subsection (e),

(B) by redesignating subsection (g) as subsection (e), and

(C) by relocating subsection (e), as so redesignated, immediately after subsection (d).

(2) SPECIAL RULES.—

(A) Paragraph (4) of section 41(f) is amended by striking ''and gross receipts''.

(B) Subsection (f) of section 41 is amended by striking paragraph (6).

(3) TERMINATION OF CERTAIN 2014 AND 2015 PROVISIONS.—

(A) Section 41 is amended by striking subsection (i), as added by this Act.

(B) Section 3111 is amended by striking subsection (f), as added by this Act.

(C) Subparagraph (B) of section 38(c)(4), as amended by this Act, is amended by striking clause (ii), as added by this Act, and by redesignating clauses (iii), (iv), (v), (vi), (vii), (viii), (ix), and (x) as clauses (ii), (iii), (iv), (v), (vi), (vii), (viii), and (ix), respectively.

(4) CROSS-REFERENCES.—

(A) Paragraph (2) of section 45C(c) is amended by striking ''base period research expenses'' and inserting ''average qualified research expenses''.

(B) Subparagraph (A) of section 54(l)(3) is amended by striking ''section 41(g)'' and inserting ''section 41(e)''.

(C) Clause (i) of section 170(e)(4)(B) is amended to read as follows:

''(i) the contribution is to a qualified organization,''.

(D) Paragraph (4) of section 170(e) is amended by adding at the end the following new subparagraph:

''(E) QUALIFIED ORGANIZATION.—For purposes of this paragraph, the term 'qualified organization' means—

''(i) any educational organization which—

''(I) is an institution of higher education (within the meaning of section 3304(f)), and

''(II) is described in subsection (b)(1)(A)(ii), or

''(ii) any organization not described in clause (i) which—

''(I) is described in section 501(c)(3) and is exempt from tax under section 501(a),

''(II) is organized and operated primarily to conduct scientific research, and

''(III) is not a private foundation.''.

(E) Section 280C is amended—

(i) by striking ''or basic research expenses (as defined in section 41(e)(2))'' in subsection (c)(1),

(ii) by striking ''section 41(a)(1)'' in subsection (c)(2)(A) and inserting ''section 41(a)'', and

(iii) by striking ''or basic research expenses'' in subsection (c)(2)(B).

(F) Clause (i) of section 1400N(l)(7)(B) is amended by striking ''section 41(g)'' and inserting ''section 41(e)''.

(g) TECHNICAL CORRECTIONS.—Section 409 is amended—

(1) by inserting '', as in effect before the enactment of the Tax Reform Act of 1984)'' after ''section 41(c)(1)(B)'' in subsection (b)(1)(A),

(2) by inserting '', as in effect before the enactment of the Tax Reform Act of 1984'' after ''relating to the employee stock ownership credit'' in subsection (b)(4),

(3) by inserting ''(as in effect before the enactment of the Tax Reform Act of 1984)'' after ''section 41(c)(1)(B)'' in subsection (i)(1)(A),

(4) by inserting ''(as in effect before the enactment of the Tax Reform Act of 1984)'' after ''section 41(c)(1)(B)'' in subsection (m), and

(5) by inserting ''(as so in effect)'' after ''section 48(n)(1)'' in subsection (m).

(h) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2), (3), and (4), the amendments made by this section shall apply to credits determined for taxable years beginning after December 31, 2015.

(2) PERMANENT EXTENSION.—The amendments made by subsection (e) shall apply to amounts paid or incurred after December 31, 2015.

(3) TERMINATION OF ALLOWANCE OF CREDIT AGAINST ALTERNATIVE MINIMUM TAX.—The amendments made by subsection (f)(3)(C) shall apply to credits determined for taxable years beginning after December 31, 2015, and to carrybacks of such credits.

(4) TECHNICAL CORRECTIONS.—The amendments made by subsection (k) shall take effect on the date of the enactment of this Act.

SEC. 143. PERMANENT EXTENSION OF RAILROAD TRACK MAINTENANCE CREDIT.

(a) IN GENERAL.—Section 45G, as amended by this Act, is amended by striking subsection (f).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2015.

SEC. 144. PERMANENT EXTENSION OF 15-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS, QUALIFIED RESTAURANT BUILDINGS AND IMPROVEMENTS, AND QUALIFIED RETAIL IMPROVEMENTS.

(a) IN GENERAL.—Clauses (iv) and (v) of section 168(e)(3)(E), as amended by this Act, are each amended by striking ''placed in service before January 1, 2016''.

(b) QUALIFIED RETAIL IMPROVEMENT PROPERTY.—Clause (ix) of section 168(e)(3)(E), as amended by this Act, is amended by striking ''placed in service after December 31, 2008, and before January 1, 2016''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2015.

SEC. 145. PERMANENT EXTENSION AND MODIFICATION OF INCREASED EXPENSING LIMITATIONS AND TREATMENT OF CERTAIN REAL PROPERTY AS SECTION 179 PROPERTY.

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Paragraph (1) of section 179(b), as amended by this Act, is amended by striking ''shall not exceed—'' and all that follows and inserting ''shall not exceed $500,000.''.

(2) REDUCTION IN LIMITATION.—Paragraph (2) of section 179(b), as amended by this Act, is amended by striking ''exceeds—'' and all that follows and inserting ''exceeds $2,000,000.''.

(b) COMPUTER SOFTWARE.—Clause (ii) of section 179(d)(1)(A), as amended by this Act, is amended by striking '', to which section 167 applies, and which is placed in service in a taxable year beginning after 2002 and before 2016'' and inserting ''and to which section 167 applies''.

(c) ELECTION.—Paragraph (2) of section 179(c), as amended by this Act, is amended—

(1) by striking ''may not be revoked'' and all that follows through ''and before 2016'', and

(2) by striking ''IRREVOCABLE'' in the heading thereof.

(d) AIR CONDITIONING AND HEATING UNITS.—The last sentence of section 179(d)(1) is amended by striking ''and shall not include air conditioning or heating units''.

(e) QUALIFIED REAL PROPERTY.—Subsection (f) of section 179, as amended by this Act, is amended—

(1) by striking ''beginning after 2009 and before 2016'' in paragraph (1), and

(2) by striking paragraphs (3) and (4).

(f) INFLATION ADJUSTMENT.—Paragraph (6) of section 179(b), as added by this Act, is amended—

(1) by striking ''the $500,000 amount in paragraph (1)(B) and the $2,000,000 amount in paragraph (2)(B)'' in subparagraph (A) and inserting ''the dollar amounts in paragraphs (1) and (2)'', and

(2) in subparagraph (B)—

(A) by striking ''paragraph (1)(B)'' in clause (i) and inserting ''paragraph (1)'', and

(B) by striking ''paragraph (2)(B)'' in clause (ii) and inserting ''paragraph (2)''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2015.

SEC. 146. PERMANENT SUBPART F EXEMPTION FOR ACTIVE FINANCING INCOME.

(a) BANKING, FINANCING, OR SIMILAR BUSINESSES.—Subsection (h) of section 954, as amended by this Act, is amended by striking paragraph (9).

(b) INSURANCE BUSINESSES.—Subsection (e) of section 953, as amended by this Act, is amended by striking paragraph (10) and by redesignating paragraph (11) as paragraph (10).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of a foreign corporation beginning after December 31, 2015, and to taxable years of United States shareholders with or within which such taxable years of such foreign corporation end.

SEC. 147. PERMANENT EXTENSION OF LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY RULES.

(a) IN GENERAL.—Section 954(c)(6), as amended by this Act, is amended by striking subparagraph (C).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2015, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 148. PERMANENT FULL EXCLUSION APPLICABLE TO QUALIFIED SMALL BUSINESS STOCK.

(a) IN GENERAL.—Paragraph (4) of section 1202(a), as amended by this Act, is amended—

(1) by striking ''and before January 1, 2016'', and

(2) by striking ''CERTAIN PERIODS IN 2010, 2011, 2012, 2013, 2014,AND 2015'' in the heading and inserting ''CERTAIN PERIODS AFTER 2009''.

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 1202 is amended by striking ''**PARTIAL**''.

(2) The item relating to section 1202 in the table of sections for part I of subchapter P of chapter 1 is amended by striking ''Partial exclusion'' and inserting ''Exclusion''.

(3) Section 1223(13) is amended by striking ''1202(a)(2),''.

(c) EFFECTIVE DATE.—The amendments made by this section apply to stock acquired after December 31, 2015.

SEC. 149. REDUCED RECOGNITION PERIOD FOR BUILT-IN GAINS MADE PERMANENT.

(a) IN GENERAL.—Paragraph (7) of section 1374(d), as amended by this Act, is amended—

(1) by striking subparagraphs (A), (B), (C), and (D),

(2) by redesignating subparagraph (E) as subparagraph (B), and

(3) by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

''(A) IN GENERAL.—The term 'recognition period' means the 5-year period beginning with the 1st day of the 1st taxable year for which the corporation was an S corporation. For purposes of applying this section to any amount includible in income by reason of distributions to shareholders pursuant to section 593(e), the preceding sentence shall be applied without regard to the phrase '5-year'.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2015.

SEC. 150. EXTENSION OF TEMPORARY INCREASE IN LIMIT ON COVER OVER OF RUM EXCISE TAXES TO PUERTO RICO AND THE VIRGIN ISLANDS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f), as amended by this Act, is amended to read as follows:

''(1) $13.25, or''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2015.

SA 3063. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the end of subtitle A of title I, insert the following:

PART IV—CERTAIN PROVISIONS MADE PERMANENT

SEC. 162. PERMANENT EXTENSION OF MILITARY HOUSING ALLOWANCE EXCLUSION FOR DETERMINING WHETHER A TENANT IN CERTAIN COUNTIES IS LOW-INCOME.

(a) IN GENERAL.—Subsection (b) of section 3005 of the Housing Assistance Tax Act of 2008, as amended by this Act, is amended by striking ''and before January 1, 2016'' each place it appears.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of section 3005 of the Housing Assistance Tax Act of 2008.

SEC. 163. PERMANENT EXTENSION OF SPECIAL RULE FOR CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Section 170(b)(1)(E), as amended by this Act, is amended by striking clause (vi).

(b) CONTRIBUTIONS BY CERTAIN CORPORATE FARMERS AND RANCHERS.—Section 170(b)(2)(B), as amended by this Act, is amended by striking clause (iii).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2015.

SEC. 164. PERMANENT EXTENSION OF ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Section 170(e)(3)(C), as amended by this Act, is amended by striking clause (iv).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2015.

SEC. 165. PERMANENT EXTENSION OF TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Section 408(d)(8), as amended by this Act, is amended by striking subparagraph (F).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2015.

SEC. 166. PERMANENT EXTENSION OF MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Section 512(b)(13)(E), as amended by this Act, is amended by striking clause (iv).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments received or accrued after December 31, 2015.

SEC. 167. PERMANENT EXTENSION OF BASIS ADJUSTMENT TO STOCK OF S CORPORATIONS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 1367(a), as amended by this Act, is amended by striking the last sentence.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2015.

SA 3064. Mr. MORAN (for himself, Ms. HEITKAMP, Mr. THUNE, Mr. HEINRICH, Mr. BEGICH, Mr. INHOFE, Mr. BENNET, Ms. STABENOW, Mr. ENZI, Mr. HOEVEN, Mr. UDALL of New Mexico, Mr. JOHNSON of South Dakota, Mr. UDALL of Colorado, Mrs. MURRAY, Mr. CRAPO, Mr. TESTER, and Mr. WALSH) submitted an amendment intended to be proposed by him to the bill H.R. 3474, to amend the Internal Revenue Code of 1986 to allow employers to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of the employer mandate under the Patient Protection and Affordable Care Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ____—TRIBAL GENERAL WELFARE EXCLUSION

SEC. __01. SHORT TITLE.

This title may be cited as the ''Tribal General Welfare Exclusion Act of 2013''.

SEC. __02. INDIAN GENERAL WELFARE BENEFITS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 is amended by inserting before section 140 the following new section:

''SEC. 139E. INDIAN GENERAL WELFARE BENEFITS.

''(a) IN GENERAL.—Gross income does not include the value of any Indian general welfare benefit.

''(b) INDIAN GENERAL WELFARE BENEFIT.—For purposes of this section, the term 'Indian general welfare benefit' includes any payment made or services provided to or on behalf of a member of an Indian tribe (or any spouse or dependent of such a member) pursuant to an Indian tribal government program, but only if—

''(1) the program is administered under specified guidelines and does not discriminate in favor of members of the governing body of the tribe, and

''(2) the benefits provided under such program—

''(A) are available to any tribal member who meets such guidelines,

''(B) are for the promotion of general welfare,

''(C) are not lavish or extravagant, and

''(D) are not compensation for services.

''(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) INDIAN TRIBAL GOVERNMENT.—For purposes of this section, the term 'Indian tribal government' includes any agencies or instrumentalities of an Indian tribal government and any Alaska Native regional or village corporation, as defined in, or established

pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.).

''(2) DEPENDENT.—The term 'dependent' has the meaning given such term by section 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B).

''(3) LAVISH OR EXTRAVAGANT.—The Secretary shall, in consultation with the Tribal Advisory Committee (as established under section 3(a) of the Tribal General Welfare Exclusion Act of 2013), establish guidelines for what constitutes lavish or extravagant benefits with respect to Indian tribal government programs.

''(4) ESTABLISHMENT OF TRIBAL GOVERNMENT PROGRAM.—A program shall not fail to be treated as an Indian tribal government program solely by reason of the program being established by tribal custom or government practice.

''(5) CEREMONIAL ACTIVITIES.—Any items of cultural significance, reimbursement of costs, or cash honorarium for participation in cultural or ceremonial activities for the transmission of tribal culture shall not be treated as compensation for services.''.

(b) CONFORMING AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by inserting before the item relating to section 140 the following new item:

''Sec. 139E. Indian general welfare benefits.''.

(c) STATUTORY CONSTRUCTION.—Ambiguities in section 139E of the Internal Revenue Code of 1986, as added by this section, shall be resolved in favor of Indian tribal governments and deference shall be given to Indian tribal governments for the programs administered and authorized by the tribe to benefit the general welfare of the tribal community.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years for which the period of limitation on refund or credit under section 6511 of the Internal Revenue Code of 1986 has not expired.

(2) ONE-YEAR WAIVER OF STATUTE OF LIMITATIONS.—If the period of limitation on a credit or refund resulting from the amendments made by subsection (a) expires before the end of the 1-year period beginning on the date of the enactment of this Act, refund or credit of such overpayment (to the extent attributable to such amendments) may, nevertheless, be made or allowed if claim therefor is filed before the close of such 1-year period.

SEC. _03. TRIBAL ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Secretary of the Treasury shall establish a Tribal Advisory Committee (hereinafter in this subsection referred to as the ''Committee'').

(b) DUTIES.—

(1) IMPLEMENTATION.—The Committee shall advise the Secretary on matters relating to the taxation of Indians.

(2) EDUCATION AND TRAINING.—The Secretary shall, in consultation with the Committee, establish and require—

(A) training and education for internal revenue field agents who administer and enforce internal revenue laws with respect to Indian tribes on Federal Indian law and the Federal Government's unique legal treaty and trust relationship with Indian tribal governments, and

(B) training of such internal revenue field agents, and provision of training and technical assistance to tribal financial officers, about implementation of this Act and the amendments made thereby.

(c) MEMBERSHIP.—

(1) IN GENERAL.—The Committee shall be composed of 7 members appointed as follows:

(A) Three members appointed by the Secretary of the Treasury.

(B) One member appointed by the Chairman, and one member appointed by the Ranking Member, of the Committee on Ways and Means of the House of Representatives.

(C) One member appointed by the Chairman, and one member appointed by the Ranking Member, of the Committee on Finance of the Senate.

(2) TERM.—

(A) IN GENERAL.—Except as provided in subparagraph (B), each member's term shall be 4 years.

(B) INITIAL STAGGERING.—The first appointments made by the Secretary under paragraph (1)(A) shall be for a term of 2 years.

SEC. 4. OTHER RELIEF FOR INDIAN TRIBES.

(a) TEMPORARY SUSPENSION OF EXAMINATIONS.—The Secretary of the Treasury shall suspend all audits and examinations of Indian tribal governments and members of Indian tribes (or any spouse or dependent of such a member), to the extent such an audit or examination relates to the exclusion of a payment or benefit from an Indian tribal government under the general welfare exclusion, until the education and training prescribed by this Act is completed. The running of any period of limitations under section 6501 of the Internal Revenue Code of 1986 with respect to Indian tribal governments and members of Indian tribes shall be suspended during the period during which audits and examinations are suspended under the preceding sentence.

(b) WAIVER OF PENALTIES AND INTEREST.—The Secretary of the Treasury may waive any interest and penalties imposed under such Code on any Indian tribal government or member of an Indian tribe (or any spouse or dependent of such a member) to the extent such interest and penalties relate to excluding a payment or benefit from gross income under the general welfare exclusion.

(c) DEFINITIONS.—For purposes of this subsection—

(1) INDIAN TRIBAL GOVERNMENT.—The term ''Indian tribal government'' shall have the meaning given such term by section 139E of the Internal Revenue Code of 1986, as added by this Act.

(2) INDIAN TRIBE.—The term ''Indian tribe'' shall have the meaning given such term by section 45A(c)(6) of such Code.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. CARDIN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on May 13, 2014, at 10 a.m., in room SR–328A of the Russell Senate Office Building, to conduct a hearing entitled ''High Frequency and Automated Trading in Futures Markets.''

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CARDIN. 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 May 13, 2014, at 10 a.m., in room SD–366A of the Dirksen Senate Office Building.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. CARDIN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on May 13, 2014, at 3:30 p.m.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. CARDIN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet during the session of the Senate on May 13, 2014, at 10 a.m., in room SD–430 of the Dirksen Senate Office Building to conduct a hearing entitled ''Strengthening Minority Serving Institutions: Best Practices and Innovations for Student Success.''

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

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. CARDIN. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on May 13, 2014, at 10:30 a.m. to conduct a hearing entitled ''Improving Financial Management at the Department of Defense.''

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

COMMITTEE ON THE JUDICIARY

Mr. CARDIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on May 13, 2014, at 9:30 a.m., in room SD–226 of the Dirksen Senate Office Building, to conduct a hearing entitled ''Judicial Nominations.''

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. CARDIN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on May 13, 2014, at 2:30 p.m.

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

SUBCOMMITTEE ON CRIME AND TERRORISM

Mr. CARDIN. Mr. President, I ask unanimous consent that the Committee on the Judiciary, Subcommittee on Crime and Terrorism, be authorized to meet during the session of the Senate on May 13, 2014, at 2:30 p.m., in room SD–226 of the Dirksen Senate Office Building, to conduct a hearing entitled ''Economic Espionage and Trade Secret Theft: Are Our Laws Adequate for Today's Threats?''

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

SUBCOMMITTEE ON WATER AND WILDLIFE

Mr. CARDIN. Mr. President, I ask unanimous consent that the Subcommittee on Water and Wildlife of the Committee on Environment and Public Works be authorized to meet during the session of the Senate on May 13, at 3 p.m. in room SD–406 of the Dirksen Senate Office Building to conduct a hearing entitled, ''Solving the Problem of Polluted Transportation Infrastructure Stormwater Runoff.''

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

PRIVILEGES OF THE FLOOR

Mrs. BOXER. Mr. President, I ask unanimous consent that Jeptha Nafziger, a detailee from OMB with the Senate Budget Committee, be granted floor privileges beginning today, May 13, and ending August 1, 2014.

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

NATIONAL PHYSICAL EDUCATION AND SPORT WEEK

Mr. REID. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 441 and the Senate proceed to its consideration.

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

The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 441) designating the week of May 1 through May 7, 2014, as ''National Physical Education and Sport Week.''

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be considered made and laid upon the table, with no intervening action or debate.

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

The resolution (S. Res. 441) was agreed to.

The preamble was agreed to.

(The resolution, with its preamble, is printed in the RECORD of May 8, 2014, under ''Submitted Resolutions.'')

NATIONAL TRAVEL AND TOURISM WEEK

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. Res. 443.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 443) recognizing the goals of National Travel and Tourism Week and honoring the valuable contribution of travel and tourism to the United States.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and that the motions to reconsider be considered made and laid upon the table, with no intervening action or debate.

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

The resolution (S. Res. 443) was agreed to.

The preamble was agreed to.

(The resolution, with its preamble, is printed in today's RECORD under ''Submitted Resolutions.'')

HONORING FORMER SENATOR HARLAN MATHEWS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 444 submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 444) relative to the death of Harlan Mathews, former United States Senator for the State of Tennessee.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and that the motions to reconsider be considered made and laid on the table, with no intervening action or debate.

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

The resolution (S. Res. 444) was agreed to.

The preamble was agreed to.

(The resolution, with its preamble, is printed in today's RECORD under ''Submitted Resolutions.'')

ORDERS FOR WEDNESDAY, MAY 14, 2014

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Wednesday, May 14; that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, and the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate resume consideration of the motion to proceed to H.R. 3474, postcloture; finally, that all time during adjournment, morning business, and executive session count postcloture on the motion to proceed to H.R. 3474.

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

PROGRAM

Mr. REID. Under a previous order, there will be up to five rollcall votes at 11:15 a.m. tomorrow. There will be another series of up to four rollcall votes at 5:15 p.m. tomorrow related to nominations.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the provisions of S. Res. 444 as a further mark of respect to the memory of the late Senator Harlan Mathews of Tennessee.

There being no objection, the Senate, at 6:41 p.m., adjourned until Wednesday, May 14, 2014, at 9:30 a.m.