The SPEAKER pro tempore. This Congress, at its first session, on July 15, 2014, took the lead in consideration of the bill, H.R. 5016, entitled ‘‘the Veterans Access, Choice, and Accountability Act of 2014’’.

The SPEAKER pro tempore. The motion to recommit the bill to the Committee on Veterans' Affairs is not agreed to.

Mr. BISHOP of Utah, from the Committee on Veterans' Affairs, reported the following:

...
Mr. HOYER. Mr. Chairman, I thank my dear friend from New York (Mr. SERRANO) for yielding.

I rise to speak on this bill, but not to offer an amendment. I don’t offer an amendment because, to offer an amendment, I would have to identify an offset within the body of this bill. This bill is deeply and harmfully underfunded. Therefore, I will not seek to take from an object that already is underfunded to fund the elimination of the Election Assistance Commission.

At the outset, I want to say that I served on this subcommittee for 23 years. I know a little bit about the subject matter. Not only that, I was the sponsor of the Help America Vote Act with Bob Ney, my friend from Ohio. That bill overwhelmingly passed with over 350 bipartisan votes. Unfortunately, too frequently, bipartisanship eludes us in this body today.

I voted against Ryan-Murray because I said at that point in time it did not provide sufficient resources to meet the responsibility this Nation has to stay strong, stay free, and to grow our economy and create jobs for our people. As I said, I was the sponsor of the Help America Vote Act. Within that bill, we created the Election Assistance Commission. Again, it was overwhelmingly supported by both sides of the aisle and the United States Senate and signed into law by President Bush. The offices and programs covered under that program were focused on trying to assist States and local governments to ensure the appropriate administration of elections.

Is there anything, I ask my colleagues, more important in a democracy than ensuring that elections are well run and that every voter’s vote counts? I suggest to you there is not.

The Election Assistance Commission, established by the Help America Vote Act in the aftermath of the 2000 Presidential election debacle, to be specific, had 357 Members of this body vote for it. The appropriations bill on this floor today would essentially eliminate that commission.

I am not surprised because, frankly, when the Republicans became the majority in this House, it was at that point in time they started focusing on the elimination of the Election Assistance Commission, as I said, designed to make our elections more efficient, fairer, and more honest.

Initially, my Republican colleagues suggested that the duties of the Election Assistance Commission would be done by the Federal Election Commission, which has a totally different responsibility, and that is a responsibility to make sure that the funding of elections is done appropriately and within the law.

I am going to vote against this bill not simply because of the zeroing out of the Election Assistance Commission. Very frankly, I am chagrined and disappointed that my Republican colleagues too often are trying to undermine America’s right to vote, undermine America’s incentive to vote, undermine the facilitating of Americans voting. Frankly, I don’t understand that.

The Election Assistance Commission, for the first time in history, said that for over 200 years States and localities had run Federal elections. They were concurrent with State elections and local elections. But they ran our elections with no assistance from us—for President, Vice President of the United States, United States Senators, and Members of the House of Representatives. We did not participate.

Under HAVA, we have contributed a substantial sum of money to the extent that they could update and make efficient the election systems that they had. But recently, the Republican Party, Mr. Chairman, has refused to recommend appointments for the Commission, and now they want to eliminate the Commission.

Mr. Chairman, in a country that looks at the right to vote and the exercising of franchise as central to our democracy, I would urge us to defeat this bill. It is politically important agency, and to do what we ought to do as Americans and as Members of this Congress.

Mr. SERRANO. Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

SEC. ... The amount otherwise provided by this Act for “National Security Council and Homeland Security Council—Salaries and Expenses” for the National Security Council is hereby reduced by $4,200,000.

The Acting CHAIR. Pursuant to House Resolution 661, the gentleman from New Jersey and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, this amendment would reduce the amount available for the National Security Council staff by $4.2 million, or by approximately one-third.

The National Security Council staff is the President’s staff. They serve solely to provide advice to the President on national security matters.

They have no authority to manage programs. They have no authority to allocate funds or otherwise decide spending levels. And they have no authority to determine or dictate congressional access to classified information involving sensitive military matters or operations. As the President has said, it is appropriate that they are accountable to him, just as our staff is only accountable to us. Therefore, they are not subject to congressional questioning or other forms of oversight.

Over the past few years, the size of the National Security Council’s staff has grown, and it appears that they have moved beyond their Presidential advisory role to involve themselves in decisions which are not in their purview.

Over the last two years, we have had several instances in which the National Security Council has mandated that the Department of Defense and other agencies selectively withhold information from congressional oversight committees.

While the President has constitutional authority as Commander in Chief to provide for the Nation’s defense, Congress was vested exclusively with the constitutional authority to fund that defense, a constitutional authority that is vested in the Appropriations Committee.

Mr. Chairman, it is important that all appropriate oversight committees are not restricted from the information they need to have to do their jobs.

I reserve the balance of my time.

Mr. VISCLOSKY. Mr. Chairman, I ask unanimous consent to claim the time in opposition to the gentleman’s amendment, although I am not opposed to it.

The Acting CHAIR. Without objection, the gentleman from Indiana is recognized for 5 minutes.

There was no objection.

Mr. VISCLOSKY. Mr. Chairman, I appreciate the recognition, and I would strongly emphasize that I join with my chairman and colleague from New Jersey in support of his amendment. So that there is clarity as to the purpose of his offering this amendment, I would recite two of his remarks.

Over the last few months, we have had several instances in which National Security staff has mandated that the Department of Defense and other agencies selectively withhold information from congressional oversight committees, and in one case specifically, excluding the Appropriations Committee. As the chairman rightfully pointed out, the Congress is vested exclusively with the constitutional authority to fund that defense, and the actions by this Council eludes us in this body today.

The committee has included clear direction in the Fiscal Year 2014 Defense
The Acting CHAIR. The question is on the amendment offered by the gentleman from New Jersey (Mr. FRELINGHUYSEN).

The amendment was agreed to.

AMENDMENT OFFERED BY MS. DELAUNO

Ms. DELAUNO, Mr. Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk reads as follows:

At the end of the bill (before the short title), insert the following:

SEC. 219. Nothing made available by this Act may be used to enter into any contract with an incorporated entity if such entity's sealed bid or competitive proposal shows that such entity is incorporated or chartered in Bermuda or the Cayman Islands, and such entity's sealed bid or competitive proposal shows that such entity was previously incorporated in the United States.

Ms. DELAUNO (during the reading). Mr. Chair, I ask unanimous consent that the amendment be considered as read.

The Acting CHAIR. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

The Acting CHAIR. Pursuant to House Resolution 66, the gentleman opposed each will control 5 minutes.

The Chair recognizes the gentleman from Connecticut.

Ms. DELAUNO. Mr. Chair, I yield myself 2 minutes.

My amendment would prohibit Federal contracts from going to entities that are incorporated or chartered in the Cayman Islands—these two nations most often abused as tax havens.

In the past few weeks, this body has accepted similar provisions for the Department of Defense Appropriations bill; the Transportation and Urban Development bill; and the Energy and Water bill. The latter passed on a rolcall vote.

As before, we should not be spending taxpayers' money on Federal contracts for companies that have renounced their American citizenship in favor of an island tax haven.

Let me quote from an article from Saturday's Washington Post by Allan Sloan, a senior editor-at-large from The Washington Post that Ms. DELAUNO referenced by Allan Sloan, entitled, 'Positively un-American tax dodges.'

He writes:

These companies don't hesitate to take advantage of the great things that make America—our deep financial markets, our democracy and rule of law, our military might, our intellectual and physical infrastructure, our national research programs, all the things that place our country offers for employees and families to live—but inverts do hesitate, totally, when it is time to ante up their fair share of financial support for our system.

He is right, and we should not be rewarding bad behavior and giving these firms with lucrative Federal contracts.

Nearly two-thirds of the companies that have established subsidiaries in tax havens have registered at least one in Bermuda or in the Cayman Islands. If a firm is going to abuse tax loopholes by pretending to be from one of these island nations, we should make sure we are doing business with companies that are playing by the rules instead.

We now have taken strong, decisive, and bipartisan action against these tax havens in three appropriations bills. I urge all of my colleagues to act here as we stand for American businesses that are meeting their responsibilities to our Nation.

I reserve the balance of my time.

Mr. SERRANO. Mr. Chairman, I yield the balance of my time in opposition even though I am not opposed to the amendment.

The Acting CHAIR. Without objection, the gentleman from New York is recognized for 5 minutes. There was no objection.

Mr. SERRANO. Mr. Chairman, very briefly, this is one of those issues that really gets you angry. Both sides believe that people should play by the rules, and what you have are people not playing by the rules. People in my district, in people in Ms. DELAUNO's district, and people in Mr. CRENSHAW's district have to pay their taxes and pay their taxes where they live. They don't have the option of doing these kinds of things. For me, it is not only a legislative issue but a personal issue—the fact that these folks continue to get away with this kind of situation.

This is an issue that Ms. DELAUNO has been working on for years. It is one that she deserves a lot of credit for, and that is why we have to thank her for it.

I would like to take this opportunity to yield the balance of my time to the gentlewoman from Connecticut (Ms. DELAUNO).

The Acting CHAIR. Without objection, the gentlewoman from Connecticut will control the remaining time of the gentleman from New York.

Ms. DELAUNO. Mr. Chairman, how much time remains?

The Acting CHAIR. The gentlewoman from Connecticut has 5 1/2 minutes remaining.

Ms. DELAUNO. I thank the gentleman for yielding.

Mr. Chairman, at this time, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Thank you for your good work on this amendment. This will be the third bill that we have amended on it.

Mr. Chairman, seldom has a day gone by recently without a headline about some American company that is running for the border to avoid its tax bill. Indeed, today's New York Times has 'Patriot Flees Home Mxd.' "Drug Firms Make Haste to Elude Tax," and an excellent piece in Fortune magazine and The Washington Post that Ms. DELAUNO referenced by Allan Sloan, entitled, "Positively un-American tax dodges."

It all gives new meaning to the term "sunshine patriot" when some corporation renounces its citizenship and

Appropriations Act and in the House-passed Defense Appropriations bill for fiscal year 2015 for the Department to report on the conduct of various programs as well as the obligation and expenditure of appropriated funding.

This direction addresses not only funds expressly provided in the Department's appropriations bill but Department actions that may cause the reprogramming of funds provided by the Congress.

Accurate, complete, and timely reporting by the Department of Defense is essential for the committee to conduct its oversight responsibilities. It informs committee deliberations to prepare the annual appropriations bills. It helps prepare the committee for negotiations with the Senate, and at present, it will help the committee formulate recommendations on the recently submitted fiscal year 2015 budget amendment on the overseas contingency operations.

The committee's responsibilities for funding are specific. Article I, section 9 of the Constitution states:

No money shall be drawn from the Treasury but in consequence of appropriations made by law, and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.

I strongly urge the adoption of the gentleman's amendment, which underscores the constitutional prerogatives of the Congress as well as of the Committee on Appropriations.

I yield back the balance of my time.

Mr. CRENSHAW. Let me thank Chairman CRENSHAW and Ranking Member SERRANO for this opportunity to propose this amendment.

Mr. Chairman, I am happy to yield the remainder of my time to the gentleman from Florida (Mr. CRENSHAW), the chairman of the committee.

Mr. CRENSHAW. I thank the chairman for yielding and for bringing this to the attention of the full House. I will refer to the gentleman as "chairman" because I have the pleasure of serving on the Defense Subcommittee, and he acts as the chairman of that.

Mr. Chairman, as the chairman has said, the National Security Council and the National Security Adviser have gotten into a bad habit, I think, of bypassing the Appropriations Committees, including the chairman of the Defense Subcommittee and the ranking member of the subcommittee, when it comes to issues of national security. I can tell you firsthand that I have had situations in which I have asked for an update on some matters, and they haven't been followed up on.

I want to thank the chairman for his leadership in all things defense. I want to encourage my colleagues to follow his lead, and I urge that we adopt this amendment.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield back the balance of my time.
Mr. Chairman, I rise in support of my colleague’s amendment to prohibit funding in the underlying bill from being used to reinstall the Red Mountain sculpture on the plaza of the Hugo Black Federal courthouse in Birmingham, Alabama. The security concerns shared by both the United States marshal and the chief justice, Karen Bowdre, the GSA has planned to reinstall the sculpture. Both Chief Justice Bowdre and Marshal Keeley believe that the sculpture’s removal is nonessential and will pose a serious security risk if reinstated.

Chief Justice Bowdre noted, in correspondence to GSA, that the location of the statue will be roughly 10 to 12 feet from the only public entrance door, which is completely made of glass and, further, that the monument would create a fatal funnel where someone could hide behind the statue and possibly not be seen and cause a security risk.

Federal law clearly states that the United States marshals have the final authority regarding the security requirements for the judicial branch of the Federal Government. The Administrative Office of the United States Courts has also agreed with the chief justice and the U.S. Marshall that the final authority over these matters should lie with the U.S. marshal.

If the marshal and the chief justice believe that putting the sculpture back could threaten the safety of our court, then GSA should follow the law and not put the monument back up. Unfortunately, GSA is ignoring the concerns of the court and has plans to reinstall the statue.

Now, while I am a steadfast supporter of the arts, I also believe that the safety of our courts and the citizens must come first. This amendment simply reinforces that GSA must follow the law by prohibiting the reinstallation of the sculpture at the Birmingham, Alabama, Federal courthouse.

I want to thank my friend, Congressman SPENCER BACHUS from Alabama, for introducing this bipartisan amendment and urge my colleagues to join me in support of it.

Mr. BACHUS. Mr. Chair, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Alabama (Mr. BACHUS).

The amendment was agreed to.

Mr. BACHUS. Mr. Chairman, this is a very straightforward amendment, which I am joined by my colleague, Ms. TERRI SEWELL, in offering.

The chief judge of the Northern District of Alabama, Karon Bowdre, and the U.S. Marshal who was appointed under the previous administration but who serves under this administration, Martin Keeley, have designated this statue as a security risk. We are more concerned over the opinions of the senior officials in that bill than we are of the GSA’s in not having that statue located where it poses a security risk to the employees and visitors to that courthouse. Accordingly, I ask for the support of this important amendment.

Mr. CRENSHAW. Will the gentleman yield?

Mr. BACHUS. I yield to the gentleman from Florida.

Mr. CRENSHAW. I just want to let you know that we are happy to accept your amendment.

Mr. BACHUS. Thank you.

Mr. Chairman, I yield the balance of my time to the gentlewoman from Alabama (Ms. SEWELL).

Ms. SEWELL of Alabama. I want to thank the gentleman from my home State of Alabama for yielding.
The attacker was facing Federal child pornography charges and was out on bail and ordered to wear an electronic monitoring bracelet. He disabled the bracelet, left his home, stabbed Mrs. Bresnahan to death, and sexually assaulted the young girl.

In the days following the attack, it was revealed that the attacker had been removing and reassembling the GPS monitoring bracelet. The device sent out tamper alerts every time he disabled the bracelet, but the Federal probation office responsible for monitoring this defendant before his trial failed to respond to 46 total tamper alerts.

On the day of the attack, he again disabled his bracelet, and the office again ignored the alert. If they had investigated any of these 46 tamper alerts, maybe this tragedy could have been avoided.

The appropriations bill funds the Administrative Office of the United States Courts, the organization tasked with overseeing the system of Federal probation offices all over this country. After this case, I wrote to the Administrative Office of the United States Courts, asking them to investigate this gross negligence. In their response was, "Nothing can excuse the deficiencies in the supervision of this case," but it also said, "Reduced resources due to the sequester is harming the efforts to keep it from happening again."

Mr. Chairman, we have addressed the sequester for now, but serious funding issues remain. The administrative office is continuing to use their funding to backfill cuts they have had to make in previous years.

We cannot allow funding issues to hamper efforts to prevent cases like this from happening again, and to be clear, this has happened again around the country.

I ask that the committee take note of the serious problem and ensure that the administrative office gets the funds it needs to enact real reform and protect vulnerable citizens.

I want to thank particularly the ranking member's willingness to work with me, Chairman Crenshaw and your staff and the minority staff, your willingness to work with me on this.

Tragedies do happen, but this one could have, should have been avoided, and I am dedicated to help Congress do anything in our power to make sure it never happens again in central New York or anywhere in this great country.

Mr. SERRANO. I thank the gentleman.

The gentleman is seeking to bring the salaries and expense of the courts of appeal, district courts, and other judicial services up to an appropriate level in part, as he mentioned, to address a tragic incident that took place in his district.

It highlights the problems the judiciary suffered while under sequestration and with the lower funding levels that agencies in the executive branch have also had to face.

We will work with the gentleman, the majority, and with the judiciary, as we do every year, to ensure that we can meet their funding needs and address the gentleman's concerns.

Mr. Chairman, I yield back the balance of my time.

Mr. CRENSHAW. Mr. Chairman, I move to strike the last word.

The Acting CHAIR. The gentleman from Florida is recognized for 5 minutes.

Mr. CRENSHAW. Mr. Chairman, I would like to engage the gentleman from Florida (Mr. Yoho) in a colloquy and I yield to the gentleman.

Mr. YOHO. Mr. Chairman, in 2010, this body passed the Hiring Incentives to Restore Employment Act, the HIRE Act. Included in that measure was the Foreign Account Tax Compliance Act, or FATCA.

FATCA requires U.S. citizens living abroad to prepare tax returns that include both U.S. and non-U.S. financial accounts. Additionally, FATCA requires financial institutions in other countries to report on assets held by American clients to the IRS.

If those institutions do not supply that information, they would be subject to a 30 percent withholding tax. In a recent report, nearly 77,000 institutions have agreed to hand over that information to the IRS.

The unintended consequences of this law are affecting over 7 million Americans living abroad. Due to the additional reporting burden, many institutions are simply denying access to our citizens.

Simply put, added regulations from the Federal Government are putting our citizens at a competitive disadvantage around the world, and foreign firms now view our citizens as too much of a hassle and a liability to hire, making America less competitive.

One of the solutions to this would be to switch from a citizen-based taxation approach to a territorial or to simply repeal FATCA.

The U.S. citizens who live and work abroad are our Nation's biggest spokesmen for our America and our way of life and what America stands for. They represent our country in areas of the world that typically see Americans in a skewed light. We, as those in government, should give them every opportunity to succeed throughout the world.

However, we have so many stories like the American living in Australia, where her husband is an Australian citizen and they share a mutual bank account, but they have to comply with IRS rules, and she has no income; or the gentleman from Thailand who has retired. He worked for a U.S. company for the last 15 years, and he has to abide by U.S. tax laws, even though he has been over there and he resides outside of the U.S.

What Fidelity Mutual told him is we would subject him to a 30 percent withholding tax. In that instance, they could have avoided $28,000 in taxes. Instead, they were charged $28,000 in taxes.

I ask that the committee take note of this issue because we are talking about billions of dollars that are going through the coffers of the IRS simply to comply with FATCA.

I ask that the committee take note of this instance and work with me and my colleagues to find a way to reform this so that we can comply with the foreign account disclosure but not have to pay such a heavy price, the tax price, for that in every instance.

Mr. CHAIRMAN. Thank you, Mr. Chairman.

Ms. SCHAKOWSKY. Mr. Chairman, I ask the amendment at the desk.

The Acting CHAIR. The gentleman from Florida.

Mr. CRENSHAW. Mr. Chairman, this is unacceptable. We in government should do everything possible to bring certainty to our citizens, regardless of where they live, and as a sign of a true great Nation, it is the ability for the Nation's citizens both to travel and work wherever they choose in the world, without being disadvantaged by their own government.

I look forward to working with my colleague from Florida.

Mr. CRENSHAW. I thank the gentleman.

As you point out, this is an extensive regulation. It is going to have a profound and far-reaching impact on our economy.

I believe these regulations, as you pointed out, are fraught with unintended consequences. As you point out, the regulation is creating headaches for many Americans who must report their foreign financial activities on the U.S. tax return, so they spend countless hours to prepare and file their tax forms necessary to comply with the regulation.

Mr. Chairman, we don't need more burdensome regulations. We need some pro-growth tax reform, to make it easier for Americans, whether living at home or living abroad, to comply with our tax laws.

Now, it is good to go after tax dodgers, that is understandable, but this is overkill, and I look forward to working with the gentleman to address these unintended consequences.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MS. SCHAKOWSKY

Ms. SCHAKOWSKY. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The clerk will report the amendment.

The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

Snc. . . . None of the funds made available in this Act may be used to enter into a contract with any person whose disclosures of a proceeding with a disposition listed in section 2313(c)(1) of title 41, United States Code, include the Federal Award, the Integrity Information System include the term "Fair Labor Standards Act."

The Acting CHAIR. Pursuant to House Resolution 661, the gentlewoman from Illinois and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Illinois.

Ms. SCHAKOWSKY. Mr. Chairman, as all of us know that hardworking men and women and men in all of our districts are having a rough time these days. Many are paid low wages or wages that are not enough to meet their family's basic needs. Those problems are made even worse when workers are the victims of wage theft.

Billions of dollars are actually stolen from workers through wage theft, and wage theft occurs when workers are forced to work off the clock, denied overtime pay, paid less than the minimum wage, and workers can lose pay because of illegal paycheck deductions, be denied their final paychecks, or not be paid at all.

Mr. Chairman, this is unacceptable. We in government should do everything possible to bring certainty to our citizens, regardless of where they live, and as a sign of a true great Nation, it is the ability for the Nation's citizens both to travel and work wherever they choose in the world, without being disadvantaged by their own government.

I look forward to working with my colleague from Florida.

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Mr. Chairman, we don't need more burdensome regulations. We need some pro-growth tax reform, to make it easier for Americans, whether living at home or living abroad, to comply with our tax laws.

Now, it is good to go after tax dodgers, that is understandable, but this is overkill, and I look forward to working with the gentleman to address these unintended consequences.

Mr. Chairman, I yield back the balance of my time.
Interfaith Worker Justice, based in Chicago, has been working to stop wage theft for years. In 2008, its executive director, Kim Bobo, wrote a book called “Wage Theft in America: Why Millions of Working Americans Are Not Getting Paid—and What We Can Do About It.”

My amendment is one step we can take to do something about it. My amendment is simple. The idea is the same idea that has been offered on the House floor by my friend and colleague, Representative Keith Ellison, and is supported by the Congressional Progressive Caucus.

It says that Federal contractors have a duty to pay their workers their legally-earned wages and that corporations that don’t pay their workers their legally-earned wages shouldn’t benefit from Federal contracts. Similar language has successfully been added to the Energy and Water and Department of Defense Appropriations bills.

Wage Theft has been documented. One study of workers in Chicago, Los Angeles, and New York City found that 26 percent were paid below legal minimum wage levels, 76 percent were denied earned overtime, and 70 percent were not paid for work outside of their regular shifts.

The North Carolina Justice Center found that workers in that State lost $33 million in pay because of wage theft over the course of 5 years. The Economic Policy Institute found that “In total, the average low-wage worker loses a stunning $2,634 per year in unpaid wages, representing 15 percent of their income.”

This is a problem in many sectors, and that includes Federal contractors. A report by the Senate Health, Education, and Labor and Pensions Committee revealed that 32 percent of the largest Department of Labor penalties for wage theft were levied against Federal contractors.

National Employment Law Project found that 21 percent of Federal contract workers were not paid overtime and 11 percent had been forced to work off the clock.

Federal contract employees deserve to receive the dollars they have earned, the dollars that they need, the dollars they would spend in their communities, and the dollars that taxpayers awarded the contractors for those wages were not paid for work outside of their regular shifts.

All workers should be safe from wage theft, but my amendment is much more modest. It just says that a contract under this FY 2015 Appropriations bill can’t be awarded to a corporation found to be in violation of wage requirements under the Fair Labor Standards Act.

It says that corporations that cheat their employees out of hard-earned wages are not deserving of taxpayer-funded Federal contracts. It sends a clear message: obey the law, pay your workers the wages they have earned, or we won’t give you the benefit of a taxpayer-financed Federal contract.

Allowing corporations to get away with violating the law is not just bad for their workers and taxpayers, it is unfair to the businesses that are competing for Federal contracts but won’t engage in wage theft to get a competitive edge.

Do we really want to tell corporations that they can violate the law and steal wages from their workers and still get a Federal contract, or do we want to take a small stand by saying that only the only ones that play by the wage rules we have enacted will be eligible?

I hope we can agree that breaking the law in order to underpay workers is not acceptable, certainly should not be rewarded, and certainly not with tax-payer dollars. I urge my colleagues to help the workers who work for us. Support the Congressional Progressive Caucus amendment.

I certainly urge a “yes” vote on the amendment. I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Illinois (Ms. Schaafkasne).

The amendment was agreed to.

Mr. SERRANO. Mr. Chairman, this has been a very little to do with a bowling alley. This is not even about the picture of Richard Nixon fully dressed, bowling at the White House. This is about this desire of Republicans and the Tea Party segment of Republicans, in cases, to make the Obama administration seem like an illegitimate President.

The legitimacy of his Presidency has been questioned on and on. There were questions about his birthplace. There were questions about what he said his religion was. There were questions about whether he was old enough to be President. There have been questions about everything. So now, these petty attacks continue.

This is a nonissue. This is a nonissue. First of all, this was about fixing up a bowling alley that has been there forever. I don’t think the American public, with all due respect to the people in the gentleman’s district, really spend a lot of time concerned about the fact that all Presidents—and I mean all Presidents—are not allowed just to pick up and go to a local place to have a beer or bowl a game of bowling or whatever. So this is not an issue that we should be dealing with.

But what is important is that it is that GSA, furthermore, has canceled the project. The Federal contractor posting was pulled on July 9. So I am sure that the other side knows that this no longer is an issue, but it continues to be something that sounds good. I hope people will think about it tonight, that the bowling alley was going to be built at the White House. No. This was an existing one that was going to be refurbished. That contract has been pulled back. That idea has been pulled back.

There just continues to be more and more of this petty attack on a President. And I think it is not so
much that he was elected President, which caused a lot of pain for a lot of people, but the fact that he was re-elected. That really has turned a lot of people to a point where they will come up with anything.

So by today, we may see even the plumbing at the White House attacked, as we did a couple of years ago. And at that time, I remarked that there hadn’t been any plumbers at the White House since the Nixon administration, and that was the truth. We have leaks. We have a White House that needs fixing, and this Congress wastes time on these kinds of issues.

I would just hope that the gentleman would pull his amendment. If he doesn’t, then I would hope we could defeat the amendment because it is just silly and not necessary at all.

I reserve the balance of my time.

Mr. MEEHAN. Mr. Chairman, I suspect it is only silly if you are the people who don’t care about the important expenses of taxpayers of the United States of America. This isn’t some trivial issue. This is a question of priorities at a time where every family is struggling.

And the justification here in Time magazine of one of the individuals was this needs renovations. Would you believe it? According to their first-person testimony—and this is just the staffs and the President—there is no electric scoreboard down there, so you have to score by hand. And that is just debilitating when you are focused on bowling a 300 like I am.

Well, maybe we ought to have people who are focused on other kinds of things at this point in time. This is a serious issue in terms of the mispriority of spending Federal dollars.

Mr. Chairman, I urge my colleagues on both sides of the aisle to assert the appropriate priorities in terms of our spending, and I urge a ‘yes’ vote.

Mr. Chairman, I yield back the balance of my time.

Mr. SERRANO. Mr. Chairman, just in closing, it is silly. And I am not suggesting the gentleman is silly.

We spend money, large amounts of money on the military and on other things that we never, ever, ever attack. We send money overseas in misguided military situations, and we don’t complain about that. But it makes good headway to say that today we stopped the bowling alley from being built at the White House. “Refurbished” was the question at hand, and it has been pulled back since July 9. There is no plan whatsoever to do anything with the existing old, decrepit bowling alley at the White House.

So this is not a gutter ball. This is not a strike for anyone. This is just more of their silliness that we will see for the next 24 hours.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. MEEHAN).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. SERRANO. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of Rule XIX, further proceedings on the amendment offered by the gentleman from Pennsylvania will be postponed.

AMENDMENT OFFERED BY MR. GRAYSON

Mr. GRAYSON. I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

SEC. None of the funds made available by this Act may be used to enter into a contract with any offeror or any of its principals if the offeror certifies, pursuant to the Federal Acquisition Regulation, that the offeror or any of its principals—

(1) within a three-year period preceding this offer, had been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; or commission of embezzlement or larceny; destruction or alteration of records of making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property; or

(2) are presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (1); or

(3) within a three-year period preceding this offer, has been notified of any delinquent Federal taxes in an amount that exceeds $3,000 for which the liability remains unsatisfied.

Mr. GRAYSON. I ask unanimous consent to dispense with the reading.

The Acting CHAIR. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Acting CHAIR. Pursuant to House Resolution 661, the gentleman from Florida and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. GRAYSON. Mr. Chairman, this amendment is identical to other amendments that have been inserted by voice vote into every appropriations bill that has been considered under an open rule during this Congress. It is also identical to the amendment I offered to last week’s Energy and Water bill, which was passed by voice vote.

My amendment expands the list of parties with whom the Federal Government is prohibited from contracting with to include any entity with, commission of any of the contractors. It is my hope that this amendment will remain uncontroversial, as it has been, and will again be passed unanimously by this House.

Mr. CRENSHAW. Will the gentleman yield?

Mr. GRAYSON. I yield to the gentleman from Florida.
Mr. CRENSHAW. Well, I appreciate the gentleman giving attention to this issue.

As you noted, we have included report language on money market funds within the bill. We are concerned about the issue, and we will work with you as this bill moves forward.

Mr. ROTHFUS. I thank the gentleman and look forward to working with him on this important issue.

Mr. CRENSHAW. I yield back the balance of my time.

Mr. SHERMAN. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

Sec. 1. None of the funds made available by this Act may be used to implement, administer, or enforce final leasing accounting standard rules, regulation, or requirements in FASB Project 2013-270, Accounting Standards Update Topic 842.

The Acting CHAIR. Pursuant to House Resolution 661, the gentleman from California and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California.

Mr. SHERMAN. So much of what we do on this floor is so partisan, going over the same old issues. I bring to you an amendment that I cowrote with the Chamber of Commerce which deals with an issue that has not yet been discussed on this floor.

The Financial Accounting Standards Board is funded by the SEC through a convoluted process designed to claim that they are not a government agency, but they are funded by a mandatory tax, and if you don’t follow their precept, you are, indeed, face criminal, as well as civil, penalties.

If it is not broke, don’t fix it. For 100 years, we had good rules on how to account for leases. The tenant pays rent, the owner of the building owns the building, and the financial statements disclose in the footnotes all the details any financial analyst would want to see.

Since it is not broke, the folks at the Financial Accounting Standards Board have decided to fix it. They want to list on every balance sheet in America the future amount that will be paid in all lease payments as a liability. The effect of that is to increase the liabilities shown on the balance sheets of American business by $2 trillion. That is right, this is a $2 trillion issue that has not yet been discussed on this floor.

The Financial Accounting Standards Board has done some outreach and taken some testimony. By the standards of the accounting world, they have listened. But by the standards of democracy, that is all too familiar with me, far more is done before you permit a single three-story apartment building.

Mr. Chairman, almost 70 Members of Congress have urged the Financial Accounting Standards Board to stop. They keep going. They want to act in concert with the European International Accounting Standards Board, and that to the European Parliament in Brussels. That is right. Those who, in effect, enact American law are not listening to Congress; they are listening to the only Parliament in the world held in lower esteem than Congress.

What will be the effect on our economy? Well, this will add $2 trillion to the balance sheet liabilities of American businesses. It will put a tremendous disincentive on businesses to sign long-term leases. If you can’t sign a long-term lease, you can’t fund a new building project, a new shopping center, or a new industrial park. So that is why an economic study funded by the American Association of Real Estate, the Business Owners and Management Association, and others says that the best-case scenario is that this will destroy 190,000 American jobs and reduce our GDP by almost $26 billion a year. The worst-case scenario is over 3 million jobs and nearly half a trillion dollars decline in our GDP.

It is time for us to tell the Financial Accounting Standards Board not to go down this road. I am concerned that Treasury forgot the Senate, the House, our GDP.

I am concerned that Treasury forgot the Senate, the House, the American law are not listening to Congress.

Mr. ROTHFUS. Mr. Chairman, I rise today to stop the implementation of Treasury guidance that is in direct conflict with the Federal anti-money laundering statutes.

On February 14, 2014, the Department of the Treasury Financial Crimes Enforcement Network, FinCEN, issued compliance guidance for “Bank Secrecy Act, BSA, expectations for financial institutions providing services to marijuana-related businesses.”

I am concerned that Treasury forgot one other detail: the Bank Secrecy Act and Federal anti-money laundering laws are explicitly clear that banks and financial institutions may not engage in marijuana-related transactions.

Despite trending State laws, Federal law remains unchanged. The Controlled Substances Act prohibits the manufacture, possession, and distribution of marijuana. Anything but compliance with the CSA, the law of the land, will trigger criminal anti-money laundering penalties, fines, and possible incarceration for perpetrators.

Instead of issuing guidance to reinforce Federal prohibitions, the FinCEN memo offers banks ways to report suspicious activities as not violating Federal law, while blatantly ignoring the fact that banks are not allowed to participate in any marijuana transactions, without exceptions. In other words, instead of enforcing the law, there is just a suspicion alert sent out, which we don’t even know if anyone is even going to pay attention to. The very act of depositing drug money runs afoot of Federal law.

Mr. Chairman, it is important to note that the Department of Justice also issued a memo in 2014, “Guidance Regarding Marijuana Financial Crimes.” This separate memo reinforces Federal law and outlines possible prosecutorial and criminal offense for “transactions involving proceeds generated by marijuana-related conduct.”

My amendment would stop the Department of the Treasury from implementing their February 2014 guidance, which is confusing and is actually creating problems throughout the industry. And it is the government, again, it
is the administration not enforcing its own laws. This is nothing short of tacit approval for money laundering, all the while encouraging banks, credit unions, and other financial institutions to engage in illegal and criminal activities.

With that, Mr. Chairman, I would like to yield some time to my good friend from Florida (Mr. CRENSHAW).

Mr. CRENSHAW. Well, I thank the gentleman for yielding, and let me see if I got this straight. Right now, manufacturing, distributing, or dispensing marijuana is still illegal under federal law. Right?

Mr. FLEMING. That is correct, sir.

Mr. CRENSHAW. And the Bank Secrecy Act still prohibits banks from laundering the proceeds of illegal activities. Is that right?

Mr. FLEMING. Right.

Mr. CRENSHAW. But in spite of the Controlled Substances Act and despite the Bank Secrecy Act, Treasury has given banks guidance on how to facilitate the sale of marijuana. That seems wrong, absolutely wrong. This amendment corrects that wrong, so I urge my colleagues to adopt this amendment.

Mr. FLEMING. Mr. Chairman, I reserve the balance of my time.

Mr. SERRANO. Mr. Chairman, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. SERRANO. Mr. Chairman, there are a couple of other speakers, so I will be very brief.

This really has very little to do with the substance that we are talking about, or that appears to be marijuana. It is about the fact that, whether we like it or not, there are States that have already legalized either recreational use, in two cases, or medical use, in two cases, or medical marijuana—so have already legalized either recreational or medical use, and in two cases, or medical use.

Mr. CRENSHAW. And some of those States have even gone further and legalized marijuana for all adult purposes. We are at 24 States, and by the end of this year, we will be at about 30 States.

What is happening is because banks may not be following—they are doing what they see fit, and they are doing it, generally, under the direction of the Justice Department, which still classify pot as an illegal drug, while encouraging banks, credit unions, and other financial institutions to engage in illegal and criminal activities.

With that, Mr. Chairman, I would like to yield some time to my good friend from Florida (Mr. CRENSHAW).

Mr. CRENSHAW. Well, I thank the gentleman for yielding, and let me see if I got this straight. Right now, manufacturing, distributing, or dispensing marijuana is still illegal under federal law. Right?

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Mr. FLEMING. Mr. Chairman, I reserve the balance of my time.

Mr. SERRANO. Mr. Chairman, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. SERRANO. Mr. Chairman, there are a couple of other speakers, so I will be very brief.

This really has very little to do with the substance that we are talking about, or that appears to be marijuana. It is about the fact that, whether we like it or not, there are States that have already legalized either recreational use, in two cases, or medical use, in two cases, or medical use, in two cases, or medical use, and in two cases, or medical use. This amendment corrects that wrong, so I urge my colleagues to adopt this amendment.

Mr. SERRANO. Mr. Chairman, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. SERRANO. Mr. Chairman, there are a couple of other speakers, so I will be very brief.

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the marijuana industry," Gillette said. "That seems fundamentally unfair—the state is taking that money and putting it in the bank; the IRS is taking that money and putting it in the vault.

Gillette is suing the IRS on behalf of one of her clients who has been paying federal payroll tax bills with cash. The IRS calls for electronic payments and adds a 10% surcharge for cash payments, she said. With some marijuana businesses paying payroll taxes of $100,000 a quarter, those penalties are substantial.

Colorado has tried to solve the problem with a new state law permitting creation of marijuana banking cooperatives, which would allow marijuana businesses to accept deposits, lend money and make electronic payments. But that system likely won't begin operating for at least another year, said Gov. John Hickenlooper, and even then federal officials would need to bless the plan.

The amount of cash already flowing through the fast-growing system has forced state tax officials to change how they accommodate payments. While Colorado allows businesses to pay their taxes in cash, most pay electronically. Marijuana businesses, however, must trek to a central Denver office, cash in hand, where they're met at the curb by armed guards and escorted inside. "Some carry in shoe boxes. Some people have it in locked briefcases. We've had people bring it in buckets," said Natriece Bryant, a spokeswoman for the Colorado Department of Revenue.

Campbell, who runs the armored-car company, said the vast cash flows are a clear come-on for criminals. He said he's working with the state to offer alternatives to marijuana businesses, including vault services. For many in the marijuana industry, the scene from the Emmy-winning television series Breaking Bad—a storage unit filled with drug cash hits uncomfortably close to reality.

"Says Campbell, "You're effectively creating a magnet for crime."

Mr. PELLMUTTER. So I would urge a big "no" vote on this amendment. It is going backwards.

Mr. SERRANO. Mr. Chairman, I yield the remainder of my time to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Chairman, so many have spoken on this floor in favor of states' rights. A majority of Americans live in States in which medical marijuana is legal, and yet we have this bizarre circumstance where these have to be all cash businesses. The result, as the gentleman from Colorado points out, is tax evasion—or potentiality for tax evasion—and also an invitation to crime—violent street crime—as people figure out how they can invade with guns a store that is licensed by my State or his State and try to steal huge quantities of cash.

It is absolutely absurd to tell people that they cannot use medical marijuana when they are in physical pain and they live in a State where that is allowed, and it is even more absurd to have to keep millions of dollars of cash there for the possible criminal taking because we have businesses that are actually operating that are outside the bank's system.

Mr. SERRANO. Mr. Chairman, I yield back the balance of my time.

Mr. FLEMING. Mr. Chairman, how much time do I have remaining?

The Acting CHAIR. The gentleman from Louisiana has 1½ minutes remaining.

Mr. FLEMING. Mr. Chairman, first of all, it is absolutely a fact that marijuana, the use of marijuana and the sale of marijuana, is against federal law. Many may want to change that law, but that is the law.

Also, our banking system, even those that are State banks, State charter banks, fall under a Federal banking system.

You are talking about money laundering. Well, what about other drugs? What about heroin? What about methamphetamines? Should we also have exemptions and carve-outs for those as well? Why even have a system for that as well?

Also, I would remind folks that with regard to medical marijuana, that is still very controversial. The reason why marijuana is still a Schedule I drug, illegal, is that it is neither known nor accepted by authorities that raw marijuana has an acceptable medical use.

Now, yes, extracts of marijuana, even Marinol—which is synthetic THC—is a Schedule II, like hydrocodone, and that can be prescribed and monitored by a physician. There is no problem with that, and the money can go into any banking system.

So if there are beneficial parts of the marijuana, why can't we extract that and create medication from it, whether it is liquid or tablet, injection or whatever, and then that will certainly be delivered, prescribed by physicians.

I urge a "yes" vote on this amendment.

I yield back the balance of my time.

The Acting CHAIR. The question was taken; and the Act is passed, without amendment.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

(Sec. 5384.) [Provisions made available by this Act may be used to pay a performance award under section 5384 of title 5, United States Code, to any employee of the Internal Revenue Service.]

The Acting CHAIR. Pursuant to House Resolution 661, the gentleman from Arizona and a Member opposed each will control 5 minutes.
I think you don’t have enough money to answer more than 61 percent of his phone calls, despite the anger he knew it would cause. Overall, my hope is that this amendment will incentivize one of these senior executives at the IRS to come forth with copies of Lois Lerner’s magically vanishing emails.

Should that day come and should the Congress and the American people receive closure to this scandal, I will cease my efforts to prohibit these awards. I think most of the IRS may begin the process of rebuilding the trust it has so blatantly violated.

This agency has shown contempt for the American taxpayer, and the ensuing crises at the IRS has been bipartisan. When the House voted on House Resolution 565 to demand that Attorney General Eric Holder appoint a special counsel to look into the scandal, 26 Democrats voted to support that measure.

As I mentioned with my last IRS amendment, if you disapprove of the IRS leaking tax information about the President’s political opponents, then support my amendment.

If you disapprove of the IRS targeting conservative groups for their political beliefs, then support my amendment. If you disapprove of the IRS ignoring congressional subpoenas, then support my amendment.

If you are in this agency this scandal is stonewalling Congress, destroying evidence, and lying to the American people, then support my amendment. Finally, if you disapprove of IRS senior executives receiving bonuses for their fallacious support of my amendment, then support my amendment.

Again, I thank the chairman and ranking member for their continued work on the committee.

Mr. CRENSHAW. Will the gentleman yield?

Mr. GOSAR. I will certainly yield to the chairman.

Mr. CRENSHAW. The gentleman has made a couple of interesting points that I think bear emphasis. Some of the issues that IRS have been outrageous, and we have talked about that from time to time. As the gentleman pointed out, this year, $63 million in bonuses were paid to IRS employees.

It is interesting they were paid by the money when the prior Commissioner had decided that it was not appropriate to pay those bonuses, and then the new Commissioner testified before our subcommittee how he was outraged that he didn’t have enough money to answer more than 61 percent of his phone calls.

I said, Sir, what is outrageous to me is you don’t have enough money to answer the phone calls, which is the first thing you ought to do, yet you paid $63 million in bonuses, and then we find out that some of the people who received the bonuses were delinquent on their taxes.

I urge adoption of the amendment. Mr. GOSAR, I thank the gentleman, and I yield back the balance of my time.

Mr. SERRANO. Mr. Chairman, I get tired of saying this, but it has to be said. I realize that the other side’s desire is to bring the IRS down to nothing. It is a constitutional question. We have the power to collect taxes. One would pay less taxes must have a department that collects taxes.

They may not always be the department—the agency—we want them to be. Both sides, whether one believes it or not, were outraged that something was wrong, but it suggests and paint with a broad brush the whole IRS and say that everyone there at the senior level is not worthy of a bonus or not worthy of our respect is really to do a disservice to public service employees. These folks do a job. They do a job on a daily basis.

Are there problems with the IRS? There have always been problems at the IRS. Has the IRS been an agency that is loved by the American public? No, because we as Americans would love somehow to do everything we need to do, but have taxes that are either very low or nonexistent.

That is not a knock on us. We would all rather pay less taxes than we pay, but we continuously just spend time knocking and knocking. If you measure the time that we have spent on this bill so far and you measure how much of that time has been allocated to the IRS and not to our amendment or helping it in any way, not to coming up with any solutions—the whole argument has been they did something wrong, we are going to punish them.

We are not talking about children. We are not talking about a foreign government that attacked us. We are talking about an agency that might not have done everything the way we want them to do it, and therefore, we have to use our resources, our power, and our legislative ability to make them do a better job, to help them along the way, not to destroy them.

So here we are saying if you have executives at the higher level that are doing a good job, you can’t help them in any way. You have to ignore that.

Now, we talk about morale. We talk about morale with our staff. We talk about morale with our Membership. Why do we have so many Members who are retiring?

If you asked them, a lot of them are retiring because we don’t get along the way we used to or maybe because we spend so much time on wasteful issues.

So we can’t paint with a brush the whole IRS. We have to find a way to help, to make them a better agency—yes, to tough love.

Absolutely, I will be the first one to agree to that and to join the majority in doing that, but this whole notion of punishing a worthless institution, of a corrupt institution, of an institution that does not follow the law, that is not true, that is not fair, and that is not correct.

That is why this amendment is misguided, and it may do just the opposite, like so many of these amendments. By punishing, you bring down morale, and you bring down the support of those who could help us do a better job at the IRS like we all would like.

I hoped that we would get Mr. GOSAR to withdraw his amendment, but his facial expression tells me that I am crazy in asking that question. You don’t have to agree that I am crazy in asking that question, but I think we should defeat this amendment.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Arizona (Mr. GOSAR).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. GOSAR. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Arizona will be postponed.

AMENDMENT OFFERED BY MR. HECK OF WASHINGTON

Mr. HECK of Washington. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

Snc. . . None of the funds made available in this Act may be used, with respect to the States of Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Illinois, Iowa, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Oregon, Rhode Island, South Carolina, Tennessee, Utah, Vermont, Washington, or Wisconsin or the District of Columbia, to prohibit or penalize a financial institution from providing financial services to an entity solely because the entity is a manufacturer, producer, or person that participates in any business or organized activity that involves handling marijuana or marihuana products and engages in such activity pursuant to a law established by a State or a unit of local government.

Mr. CRENSHAW. Mr. Chairman, I reserve the point of order on the gentleman’s amendment.

The Acting CHAIR. A point of order is reserved.

Pursuant to House Resolution 661, the gentleman from Washington and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Washington.
Mr. HECK of Washington. Mr. Chairman, I offer this bipartisan amendment to carry forth an important issue of public safety to provide legally-constitutional marijuana businesses access to banking services. To do otherwise is to render them an illegal sector of the economy which is fraught with peril.

If you supported the Rohrabacher amendment to the Commerce-Justice and Science Appropriations which passed clearly, then you will support this as well. It brings forth the terms and definitions of the Department of Justice and Financial Crimes Enforcement Network.

Yesterday morning, on the very front page of USA Today was an article setting forth the dangers of all-cash businesses in our States that have approved legally marijuana-related businesses. In the words of the Attorney General:

You don't want just huge amounts of cash in these places. They want to be able to use the banking system. It is a public safety component. Huge amounts of cash, substantial amounts of cash just kind of lying around with no place for it to be appropriately deposited is something that worries me, just from a law enforcement perspective.

If you support public safety, if you supported the Rohrabacher amendment to the Commerce, Justice, and Science bill, you will support this amendment as well. In the interest of public safety, you will do this. Because in the words of the Department of Justice, the two most important terms and conditions: keep marijuana out of the hands of children and keep cash out of the hands of gangs and the cartels. To oppose this amendment is not in order.

AMENDMENT OFFERED BY MR. WALBERG

Mr. WALBERG. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Acting CHAIR. The Clerk reads as follows:

At the end of the bill (before the short title), insert the following:

The Acting CHAIR. Pursuant to House Resolution 661, the gentleman from Michigan and a Member opposed each will control 5 minutes.

Mr. WALBERG. Mr. Chairman, I rise to offer an amendment which builds off the good work accomplished by Chairman CRENSHAW and Ranking Member SERRANO in the underlying bill.

At a recent Oversight and Government Reform Committee hearing, we had the opportunity to hear testimony from David Ferriero, the Archivist of the United States and head of the National Archives and Records Administration, which oversees the Federal Records Act.

In his testimony before Congress, Mr. Ferriero gave an account of how the IRS failed to notify him about the unauthorized disposal of Lois Lerner's hard drive, a hard drive which contained key emails and information about her actions in the targeting of conservative groups. In fact, during my questioning of Mr. Ferriero, he stated that the IRS "did not follow the law."

It is clear the IRS has not made it a priority to comply with the intent of the law, whether in the form of intimidating taxpayers, ignoring congressional requests for documents, or ignoring requirements to document valuable records that are in the public interest. My amendment would address one of these failures and prohibit any funds in this bill to be used by the IRS to act in contravention of the Federal Records Act.

It is a commonsense check on the IRS's recalcitrant behavior, and I urge my colleagues to support it.

Mr. CRENSHAW. Will the gentleman yield?

Mr. WALBERG. I yield to the gentleman from Florida.

Mr. CRENSHAW. I just want you to know that in the bill we have a provision that applies to the IRS. This is a little bit broader, but I think it is a good amendment, so I encourage folks to support it.

Mr. WALBERG. I reserve the balance of my time.

Mr. SERRANO. Mr. Chairman, I claim the time in opposition to the amendment.

The Acting CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. SERRANO. Mr. Chairman, the gentleman is primarily concerned with records management at the IRS, which does not surprise us—the IRS again. However, this bill already contains a provision preventing the use of funds by the IRS to violate these very same sections of the code. In other words, the bill that we are debating today, the full bill, already accomplishes what the gentleman seeks to do. Every agency is already required to follow Federal records management law, so this amendment seems particularly unnecessary.

I realize Members on the other side want to continue to issue press releases stating how tough they are on the IRS, but there is no need to restate current law. I think that this one is different in the sense that while other amendments that I may not approve of or support speak to an issue that hasn't been spoken to before or repeat something we have dealt with before, this one speaks to an issue that Mr. CRENSHAW already took care of in the bill.

That is my opposition to it, and that is why I think the amendment is unnecessary.

I yield back the balance of my time.

Mr. WALBERG. Mr. Chairman, I thank my colleague from New York for his concern about this. I am concerned as well.

I appreciate the fact what the chairman has said, that this expands the reach; it expands the authority. If, indeed, all of our agencies had a requirement under the Federal Records Act and they followed it, I wouldn't be here. But under significant questioning of the Archivist of our Nation, he indicated to me under significant questioning that the IRS "did not follow the law."

That is the purpose of this amendment: to make sure there are more teeth available even than what is put in this good bill to make sure that the IRS follows the law.

I ask my colleagues for support for this amendment, and I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Michigan (Mr. WALBERG).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PARENTHOED

Mr. PARENTHOED. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.
The Clerk read as follows:

At the end of the bill (before the short title), add the following:

Sec. ___. None of the funds in this Act may be available for the Office of Management and Budget to process or approve an apportionment request that does not include the following phrase: ‘‘Apportionments are not available for any position that is held by an employee with respect to whom the President of the Senate or the Speaker of the House of Representatives has certified a statement of facts to a United States attorney under section 104 of the Revised Statutes (2 U.S.C. 194).’’

The Acting CHAIR. Pursuant to House Resolution 661, the gentleman from Texas and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas.

Mr. FARENTHOLD. Mr. Chairman, today I rise to offer an amendment that would prohibit funding to any Federal employee who has been found in contempt of Congress.

As a member of the Oversight and Government Reform Committee, I have had serious concerns about the nonresponsiveness of certain Federal officials to legitimate congressional oversight activities. In some of these situations, Congress has been taken by this House to hold these officials in contempt of Congress.

Specifically, my amendment prevents funds from being made available for the Office of Management and Budget to process or approve an apportionment request from an executive agency that does not include the following language:

Apportionments are not available for any position that is held by an employee with respect to whom the President of the Senate or Speaker of the House of Representatives has certified a statement of facts to a United States attorney under section 104 of the Revised Statutes (2 U.S.C. 194).

What the experts and lawyers tell me this means is we won't pay folks who have been held in contempt of Congress. The taxpayers don't need to be funding somebody who is not cooperating with their elected representative, and it has gotten so bad that this entire body has held them in contempt.

If somebody has failed to do his or her job in the private sector or in any other environment, they wouldn't get paid, and I think the Federal Government needs to follow this.

Let me give you a little bit of background on the process so you understand how this is going to work.

Funds apportioned to executive agencies are apportioned or handed out by the OMB. Executive agencies must submit a request to the OMB 40 days before the start of the fiscal year or within 15 days of the enactment of the appropriations act. The OMB then determines how the executive agency's fund will be apportioned.

This amendment would require an executive agency to include the quoted language in their apportionment request to the OMB, which would prevent the OMB from allocating funds to an agency for the salaries of Federal employees who have been found in contempt of Congress.

To me, this is just common sense. We don't pay employees who don't cooperate with their boss. We are the elected representatives of the people. We are the boss, and we need to enact this legislation to ensure those in contempt of Congress do not continue to receive taxpayer funds.

I yield back the balance of my time.

The Acting CHAIR. The gentleman from Texas (Mr. FARENTHOLD).

AMENDMENT OFFERED BY MR. GRAYSON

Mr. Grayson. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

Sec. ___. None of the funds made available by this Act may be used to pay any individual at an annual rate of Grade 1, Steps 1, 2, 3, 4, 5, 6; or Grade 2 Step 1 or 2 as defined in the ‘‘Salary Table 2014-GS’’ published by the Office of Personnel Management. Funds apportioned or made available by this Act may be used to pay any individual at an hourly basic rate of Grade 1, Steps 1, 2, 3, 4, 5, 6; or Grade 2, Step 1 or 2.

The Acting CHAIR. Pursuant to House Resolution 661, the gentleman from Florida and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. GRAYSON. Mr. Chairman, this amendment would end the Federal Government's practice of paying poverty wages to its workers and hopefully set an example for the private sector to stop paying poverty wages to its workers.

My metropolitan area of Florida has the lowest average wages of any of the 50 biggest cities in America. It is time to end this disgrace and to pay people fairly. A fair day's work should result in a fair day's pay.

The reason why we have to end poverty wages in America is simple. It is just too expensive to be poor in America. If you are poor, it is difficult to buy or rent a place to live, to buy or lease a car to drive, even to get electricity from a utility company, to save any money at all, or even open a bank account. It is just too expensive to be poor in America.

Journalist Barbara Ehrenreich put it best:

If you can't afford the first month's rent and security deposit you need in order to rent an apartment, you may get stuck in an overpriced residential motel. If you don't have a kitchen or even a refrigerator and microwave, you will find yourself falling back on convenience store foods to which—in addition to its nutritional deficits—is also alarmingly overpriced.

If you need a loan, as most poor people eventually do, you will end up paying an interest rate many times more than what a more affluent borrower would be charged.

To be poor means children to support and care for—is a perpetual high-wire act.

Mr. Chairman, when I say 'it is too expensive to be poor in America,' I am not just quoting a poverty advocate. I am quoting Noah Wintroub, an official for JP Morgan Chase. Yes, even the bankers are telling us that it is too expensive to be poor in America.

Right now, the Federal Government can pay as little as $8.62 an hour for a grade 1, step 1 worker. That is not enough. You get what you pay for. That is the capitalist way. If a government worker has taken a job just to get by, then that worker can't focus on doing a good job serving the public. If a Federal worker is working 80 hours a week instead of 40 just to survive, he is not going to do a good job at either job.

My amendment simply would not allow the government to pay anyone less than $10.10 an hour—still a very modest amount. According to CBO, it doesn't cost the government a single dime extra to support the American Federation of Government Employees. Paying Federal workers $10.10 an hour is still not enough, but at least it is a start.

Right now, the minimum wage gives you $1,200 a month to live on if you work a full-time job for 40 hours a week. From that $1,200 a month, you must pay your Social Security taxes, your Medicare taxes, pay for your food, your clothing, your housing, your transportation. You must also pay, by the way, for the food and clothing of your children.

That is not possible. It is simply not possible to live that way, and we can't expect people to do that. In fact, the taxpayers end up subsidizing them through food stamps, Medicaid, the earned income credit, and a dozen other ways that we make up for the shortfall when their employers are not paying them enough to keep them alive.

I think it is time that we take a stand. I hope this body sees the wisdom of paying at least Federal workers, to start, above poverty wages. I urge this body to accept this amendment and set a proper standard for labor in this country. Let's have $10.10, not $7.25. You can't survive on $7.25.

I reserve the balance of my time.

The Acting CHAIR. The gentleman from Florida is recognized for 5 minutes.

Mr. CRENSHAW. Mr. Chairman, I claim the time in opposition.

The Acting CHAIR. The gentleman from Florida is recognized for 5 minutes.

Mr. CRENSHAW. Mr. Chairman, I just got this amendment a little bit ago. I don't quite understand what the gentleman is trying to do.

As I read the amendment, it basically says you just can't pay Federal employees. If I am a Federal employee and somebody says you can't pay me this wage, I guess I can either come to work and not get paid or I can just decide that you decided not to pay me so I don't think I will come to work anymore.

I don't know how many people are affected by this, but I have got to believe...
a lot of people would look at this and say: Gee, the gentleman from Florida says we are just not going to pay you. I guess on behalf of the Federal employees, I have to oppose that, because I think all Federal employees ought to be paid. I don't think we should pass legislation that they can't be paid.

So I would urge my colleagues to oppose this amendment, and I reserve the balance of my time.

Mr. GRAYSON. Mr. Chairman, I appreciate the generosity of my colleague from Florida's argument, but no one is suggesting Federal employees have to work for free. All this amendment does is simply eliminate the poverty rates set forth in the General Schedule and replaces them with the existing higher rates.

All we are saying here is that grade 1, steps 1, 2, 3, 4, and 5 are below poverty level; grade 2, steps 1 and 2 are below poverty level.

I see from this amendment that the gentleman from Florida, the chairman, is describing. It simply would mean that these workers would no longer be paid poverty wages. They would be paid under the existing GSA schedule a proper day's pay for a proper day's work.

Therefore, and given the fact that the AFGE, which is responsible for representing these workers, supports this amendment and rejects the nightmare scenario described by the gentleman from Florida, I would hope to have the gentleman from Florida's consent and support for this amendment.

I yield back the balance of my time.

Mr. CRENSHAW. Mr. Chairman, I just want to read this again. It says that none of the funds made available by this act may be used to pay any individual at an annual rate of grade 1, step 1, 2, 3, 4, 5, or 6.

So if you are grade 1, step 6, it says you can't pay at that rate. It doesn't say anything about raising your salary or lowering your salary. It just says you can't be paid.

I really think that this is something we ought to reject. I urge my colleagues to vote "no," and I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Florida (Mr. GRAYSON).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. GRAYSON. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Florida will be postponed.

AMENDMENT OFFERED BY MR. MASSIE

Mr. MASSIE. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

SEC. 9. None of the funds made available by this Act, including amounts made available under titles IV or VIII, may be used by any authority of the government of the District of Columbia to prohibit the ability of any person to possess, acquire, use, sell, or transport a firearm except to the extent such activity is prohibited by Federal law.

Mr. SERRANO. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The Acting CHAIR. A point of order is reserved.

Pursuant to House Resolution 661, the gentleman from Kentucky (Mr. MASSIE) and a member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Kentucky.

Mr. MASSIE. Mr. Chair, I rise today to offer an amendment that would stop the District of Columbia from taking any action to prevent law-abiding citizens from possessing, using, or transporting a firearm.

Despite the U.S. Supreme Court's decision in District of Columbia v. Heller that struck down the unconstitutional D.C. handgun ban, it is still difficult for D.C. residents to exercise their God-given right to bear arms. Congress has the authority to legislate in this area pursuant to section 17 of the Constitution, which gives Congress the authority "to exercise exclusive legislation in all cases whatsoever" over the District of Columbia.

Through unreasonable regulation, arbitrary time limits and waiting periods, and a ridiculous registration renewal process for guns that have already been registered, the government bureaucrats of the District continue to interfere with the District's residents' right to self-defense.

As the Washington Times reported earlier this year, the District of Columbia has passed the first law ever in the United States that requires a citizen who has already legally registered a gun to reregister, go to police headquarters and submit to invasive photographing and fingerprinting. This is pure harassment.

Why would the D.C. government want to punish and harass law-abiding citizens who simply want to defend themselves from criminals? As everyone with even the smallest bit of common sense knows, criminals, by definition, don't care about the laws. They will get the guns if they can.

Does anyone actually believe that strict gun control laws will prevent criminals from getting guns? Strict gun control laws do nothing but prevent good people from being able to protect themselves and their families in the event of a robbery, home invasion, or other crime.

I reserve the balance of my time.

POINT OF ORDER

Mr. SERRANO. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriation bill and, therefore, violates clause 2 of rule XXI.

The rule states in pertinent part:

"An amendment to a general appropriation bill shall not be in order if changing existing law."

It also adds a requirement on D.C. that it doesn't add anywhere else. It imposes an additional requirement for requiring law enforcement or the D.C. Council to determine what is prohibited by Federal law before they are allowed to legislate.

We know that folks like to sound good on certain issues by legislating from here, but the city council should not be asked to incur these extra duties that they don't have now.

I ask for a ruling from the Chair.

The Acting CHAIR. Does any other Member wish to be heard on the point of order?

Mr. MASSIE. Mr. Chair, I certainly disagree with the gentleman's points there.

First of all, Congress has the constitutional authority to legislate and exercise over all matters in the District of Columbia. Furthermore, if a law enforcement officer in the District of Columbia is not already familiar with Federal laws, then I question whether he should be a law enforcement officer.

But most of all, I would make the point that the underlying bill already contains language that is virtually identical in form to the amendment that I have offered. For instance, section 809 states that "none of the Federal funds contained in this Act may be used to enact or carry out any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substance Act."

There are multiple examples in the underlying bill where the structure of those portions of the bill are identical to the amendment and require knowledge of law.

The Acting CHAIR. The Chair finds that this amendment includes language requiring a new determination by the District of Columbia as to the state of Federal firearms law. The gentleman has not shown that this determination is already required.

The amendment, therefore, constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained, and the amendment is not in order.

Mr. MASSIE. Mr. Chairman, I move to appeal the ruling of the Chair.

The Acting CHAIR. The question is: Shall the decision of the Chair stand as the judgment of the Committee?

The question was taken; and the Acting Chair announced that the ayes had it.

So the decision of the Chair stands as the judgment of the Committee.

AMENDMENT OFFERED BY MR. MARINO

Mr. MARINO. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.
The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

Sec. 3. None of the funds made available by this Act may be used to collect any underpayment of any tax imposed by the Internal Revenue Code of 1986 to the extent such underpayment is attributable to the taxpayer's failure to keep records properly in accordance with IRS rules. In patently unfair to require taxpayers to follow such burdensome standards. In addition, the IRS Commissioner testified on the topic of Ms. Lerner’s emails multiple times before the House Oversight and Government Reform Committee, suggesting that there would be no issue in producing the emails. However, the Commissioner knew there was an issue with Ms. Lerner’s computer in February and the emails were clearly lost in March. Despite this knowledge, he failed to notify Congress until June. This is outrageous. While the IRS is trying to evade explaining the loss of records, we should prohibit the IRS from mercilessly pursuing taxpayers for the exact same fault.

With that, I yield 30 seconds to the gentleman from Florida (Mr. Crenshaw), my colleague and the chairman of the subcommittee.

Mr. Crenshaw. Mr. Chairman, I support the gentleman’s amendment even though I reserved a point of order. I would just inquire if the gentleman intends to withdraw the amendment.

Mr. MARINO. I do. I am going to do that in my closing.

I thank the chairman for his support of the principle of my amendment. While I recognize this would be legislatively language in an appropriations bill, I welcome the opportunity to work with the chair and my other colleagues to properly investigate this situation and ensure that similar situations of government abuse do not arise in the future.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The Acting CHAIR. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDMENT OFFERED BY MR. HECK OF WASHINGTON

Amendment offered by Mr. Heck of Washington.

Mr. Heck of Washington. Mr. Chairman, I have a new and improved amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

Sec. 3. None of the funds made available in this Act may be used, with respect to the States of Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Illinois, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Oregon, Rhode Island, South Carolina, Tennessee, Utah, Vermont, Washington or Wisconsin in the District of Columbia, to penalize a financial institution solely because the institution provides financial services to an entity that is a manufacturer, producer, or a person that participates in any business or organized activity that involves handling marijuana or marijuana products and engages in activities which are in accordance with state or federal law established by a State or a unit of local government.

The Acting CHAIR. Pursuant to House Resolution 661, the gentleman from Washington and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Maryland.

Mr. Heck of Washington. Mr. Chairman, I yield myself such time as I may consume.

This is a referendum on public safety. It follows the exact intent—but is technically perfected—of the earlier amendment that was offered, and I thank the gentleman from the majority for pointing out its technical flaws. They have been corrected.

It is a referendum on public safety. If you want to render an all-cash sector of the economy in the 23 States that allow for medical marijuana and in the two States that allow for the adult recreational use of marijuana, you will make them unsafe. That is for certain.

I entreat you to pick up yesterday’s USA Today and read the excellent article, including the citation of several security experts, about what will happen with a certainty, inevitably, if we do not take this measure.

If you want to keep marijuana out of the hands of children and if you want to keep cash out of the hands of gangs and cartels, you will support this amendment.

With that, Mr. Chairman, I yield 1 minute to the gentlewoman from the State of Nevada (Ms. Tipton).

Ms. Tipton. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this amendment.

The medical marijuana industry is rapidly taking root in Nevada. Our local governments are developing regulations and are issuing licenses as we speak. Yet representatives of this exciting industry continue to raise the same concern—a lack of access to banks, which is critical for the safe operation of any small business.

This commonsense measure would respect states’ rights to impose more transparency, facilitate regulations, protect the public, and foster the growth of small business. I urge a vote in favor.

Mr. Heck of Washington. Mr. Chairman, I yield 1 minute to the gentlewoman from the State of California (Ms. Lee).

Ms. Lee of California. I thank Congresswoman Heck for yielding and for his really bold and tremendous leadership on this issue.

I am proud to join you, Mr. Perlmutter and Mr. Rohrabacher, in co-sponsoring this bipartisan, commonsense amendment.

Mr. Chairman, this amendment would provide important certainty to business owners, employees, government agencies, and financial institutions in 34 States and jurisdictions that have passed marijuana reform laws.

By prohibiting Federal agencies from unduly penalizing financial institutions for providing basic banking services, like opening a checking account, this amendment would ensure that legitimate business owners can comply...
with State regulations and that regulators and law enforcement can hold businesses accountable.

I recently had a chance to visit one of these small businesses in my home district of Oakland, California, and know how big an impact the access to financial services can have.

When these businesses are unable to access financial services, they are forced to use unsatisfactory cash-based transactions that lack transparency, accountability, and create a threat to public safety.

I was proud to cosponsor a similar amendment to the Commerce, Justice, and Science Appropriations bill that passed the House. I want to thank Mr. Heck again for his leadership and hope this passes.

Mr. CRENSHAW. Mr. Chairman, I claim the time in opposition.

The Acting CHAIR. Mr. CRENSHAW. The gentleman from Florida is recognized for 5 minutes.

Mr. CRENSHAW. Mr. Chairman, a little earlier, we had a discussion about this, and I pointed out that it is very clear that the law, it is still illegal under Federal law to manufacture, to distribute, or to dispense marijuana. That is the Federal law.

There is also a Federal law that says banks can’t launder the proceeds of illegal activities, and as we talked about earlier, we have got the fact that the Treasury has given guidance on how to facilitate the sale of marijuana.

The point is the law is the law. The Federal law, I just stated, and I don’t think we can go around picking and choosing which States the Federal law applies to. The Federal law is the Federal law, and that is the way it ought to be.

I think that the fact that we have those two laws, when somebody violates that law is wrong. Earlier this evening, we adopted an amendment that corrected that. This seeks to go back the other way.

I would just urge people to vote “no” on this because we have a Federal law that controls, and we can’t pick and choose who gets to comply and who doesn’t.

Mr. Chairman, I yield back the balance of my time.

Mr. HECK of Washington. Mr. Chairman, I yield 1 minute to the gentleman from Colorado (Mr. PERLMUTTER).

Mr. PERLMUTTER. Mr. Chairman, to my friend from Florida, I agree, except that the world has moved, and businesses that are legal in these vast array of States should be able to operate in a businesslike fashion.

They should be able to have checking accounts and credit cards and payroll accounts, instead of operating solely in cash that invites robberies, invites assault and batteries, invites tax evasion.

The sooner—the banking system should be able to provide for that, instead of just operating in a cash setting. So we need to limit and avoid the crime that the cash invites, and we need to allow these businesses to operate in a businesslike fashion.

The States and the people of those States have chosen to move forward. We should not, through the banking system, try to stop that and then create crime in its wake.

Mr. HECK of Washington. First, let’s correct the RECORD. The earlier vote did not approve the opposite amendment. In fact, the decision, as announced by the Chair, was to affirm the amendment, and then the rollcall was provided and is yet pending.

Secondly, the will of this body has, in fact, been manifested on one occasion, and that was an amendment highly similar to this one, to the Commerce, Justice, and Science Appropriations, and it passed by a clear bipartisan majority in this Chamber.

Lastly—and again, this is about public safety. This is about keeping marijuana out of the hands of children and cash out of the hands of the gangs and the cartels. That is what this amendment is about.

I am frankly stunned to learn that the party whose heritage was in support of children and for their safety now no longer sees fit to uphold those States who have gone in this direction who, through votes of people and votes of their duly-elected legislatures, have created tightly-controlled markets for this particular substance.

This is not about being in favor or against marijuana consumption. This is about public safety. This is about providing access to banking services for safe environments, safe communities, and I entreat you to support it as you once did before.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Washington (Mr. Heck).

The question was taken, and the Acting Chair announced that the ayes appeared to have it.

Mr. CRENSHAW. Mr. Chairman, I demand a record vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Washington will be postponed.

AMENDMENT NO. 6 OFFERED BY MR. PRICE OF GEORGIA

Mr. PRICE of Georgia. Mr. Chairman, I have an amendment made in order by the rule at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of the bill (before the short title), insert the following:

SEC. 6. Notwithstanding any other provision of law, any provisions made available by this Act may be used in contravention of section 6103 of the Internal Revenue Code of 1986 (relating to confidentiality and disclosure of returns and return information).

The Acting CHAIR. Pursuant to House Resolution 661, the gentleman from Georgia and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia.

Mr. PRICE of Georgia. Mr. Chair, I want to commend the chairman of the Appropriations Subcommittee for the work that he has done on this. This has been yeoman’s work, a difficult task.

We haven’t done a Financial Services Appropriations bill in a number of years, and so I want to commend the chairman for his leadership on this issue.

My amendment deals with the Internal Revenue Service, and I know a lot of these amendments have addressed the issue.

The Internal Revenue Service, Mr. Chairman, as you and the American people know, by law—by law—may not release any personal taxpayer information. It must be protected, and it is clear that what we have had over the past year or so is the revelation of a hijacking, a hijacking of the public trust that has occurred as it pertains to the IRS’ lawful requirement to protect taxpayer information.

Internal Revenue Code section 6103 is what this amendment deals with. It is a portion of the Code that is a taxpayer protection provision written to prevent unlawful disclosure of confidential taxpayer information.

The recent actions of the IRS, whether it is the targeting of conservative social welfare groups or the unlawful disclosure of an organization’s confidential tax return and donor list, are nothing less than chilling. Mr. Chairman.

What the IRS has done is targeted conservative groups, allegedly to determine whether or not they ought to be granted tax-exempt status. In so doing, they have asked for those organizations’ donor lists, the lists of hard-working American taxpayers, and then taken some of their resources and provided support for these organizations.

Then the IRS took that donor list information, not only kept the organization from getting tax-exempt status, as it was appropriate, and released it to political enemies or political opponents of the organization, apparently for political purposes.

This is outrageous activity. Mr. Chairman. This amendment is a very simple amendment that reminds the Internal Revenue Service that their primary responsibility is to serve the American taxpayer.

Given the information that has come to light over the last year or so, I would suspect that every Member of this Congress should support holding the IRS accountable to the rule of law.

The IRS has violated the trust of the American people, and I am determinative that this body hold the IRS accountable for their egregious actions.

It is a simple amendment. It is a commonsense amendment. It is an amendment that is supported and responsive to our constituents, and I urge its adoption.

Mr. Chairman, I am pleased to yield such time as he may consume to the
Mr. CRENSHAW. I thank the gentleman for yielding.

Mr. Chairman, I think every American taxpayer needs to be assured that their personal information is going to be held in strict confidence, and that is what this amendment does.

I think, particularly at a time when the IRS has demonstrated a lack of ability to either self-police or self-correct, when each week we read about a new revelation of some sort of bureaucratic incompetence or maybe willful disregard for the law, I think it is more important than ever to make sure that every taxpayer knows that personal information is going to be held in strict confidence.

I urge the adoption of this amendment.

Mr. PRICE of Georgia. I thank the chairman for his support, and I urge support of this amendment by all colleagues in the House.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Georgia (Mr. PRICE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DESANTIS

Mr. DESANTIS. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk reads as follows:

At the end of the bill (before the short title), insert the following:

SEC. ___. None of the funds made available by this Act may be used by the Internal Revenue Service to create machine-readable materials that are not subject to the safeguards established pursuant to section 3105 of title 44, United States Code.

The Acting CHAIR. Pursuant to House Resolution 661, the gentleman from Florida and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. DESANTIS. Mr. Chairman, I think this amendment accomplishes the similar objective that I articulated just a moment ago, and I would just add that it is very troubling, if you were called into court to defend yourself against the IRS and they asked you to produce certain documents in discovery and your defense was, well, the documents have been destroyed, you would be presumed essentially guilty. They would have an adverse inference lodged against you.

I think that is what this amendment is getting to. The IRS has to practice what they preach. They should be held to the exact same standards as the American people are held to with their taxes, and they should follow the record retention requirements under Federal law.

So I think it is a commonsense amendment, and I urge that my colleagues adopt the amendment.

Mr. Chairman, I yield my remaining time to my colleague from Florida (Mr. CRENSHAW).

Mr. CRENSHAW. I thank the gentleman.

Mr. Chairman, I simply want to applaud him for inserting any procedural flaws. He makes an excellent point, and I accept the amendment.

Mr. DESANTIS. Mr. Chairman, I yield back the balance of my time.
I yield back the balance of my time.

Mr. SERRANO. I rise in opposition to the amendment.

The Acting CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. SERRANO. Mr. Chair, I think the mistake we are making here is the one we have been making all day. Not only is it targeted only at the IRS, which seems to be the desire to continue to do this for 24 hours or as long as this bill lasts, but secondly, it paints it with a wide brush. If you say no conferences of this type or if you limit the number of conferences, okay, we could discuss that; but to say that one agency in the Federal Government cannot have any kind of conferences, none at all—zero, nada—that really speaks to just a continuous desire to destroy the IRS.

Now, there were issues concerning the conferences. There were issues concerning the conferences for other agencies. We have dealt with that. We can deal with this. But to say no conferences at all is to suggest that an agency cannot operate the way it needs to at times.

So I think that this is just another attack on the IRS. It makes for good headlines, even at this time of night. I think it is the wrong thing to do, and I hope that we could oppose it or that the gentleman will withdraw the amendment.

I yield back the balance of my time.

The Acting CHAIR. The question was taken; and the Act-
ing Chair announced that the ayes appeared to have it.

Mr. DESANTIS. Mr. Chair, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further pro-
cedings on the amendment offered by the gend-
tleman from Florida (Mr. DESANTIS).

The question was taken; and the Act-
ing Chair announced that the ayes ap-
peared to have it.

Mr. DESANTIS. Mr. Chair, I demand a recorded vote.

The Acting CHAIR. Amendment offered by Mrs. BLACKBURN.

Mrs. BLACKBURN. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will re-
port the amendment.

The Clerk reads as follows:

At the end of the bill (before the short title), insert the following:

Sec. 3. (a) Each amount made available by this Act is hereby reduced by 1 percent.
(b) The reduction in subsection (a) shall not apply with respect to the following ac-
counted programs:
(1) Payment of Government losses in ship-
ment under “Department of the Treasury—Bureau of the Fiscal Service”;
(2) “Supreme Court of the United States—Salaries and Expenses”;
(3) “United States Court of Appeals for the Federal Circuit—Salaries and Expenses”;
(4) “United States Court of International Trade—Salaries and Expenses”;
(5) “Courts of Appeals, District Courts, and Other Judicial Services—Salaries and Ex-
penses”;
(6) Payment to judiciary trust funds for Judici-
ary Retirement Funds under section 629;
(7) Payments to the Civil Service Retir-
ement and Disability Fund for the Office of Personnel Management under section 629.

Mrs. BLACKBURN (during the read-
ing). Mr. Chair, I ask unanimous con-
sent to waive the reading.

The Acting CHAIR. Is there objection to the request of the gentlewoman from Tennessee?

There was no objection.

The Acting CHAIR. Pursuant to House Resolution 661, the gentlewoman from Tennessee and a Member opposed each will control 5 minutes.

The Chair recognizes the gentle-
woman from Tennessee.

Mrs. BLACKBURN. Mr. Chairman, first of all, I want to thank the gend-
tleman from Florida (Mr. CRENSHAW), who has done a wonderful job bringing this bill to the floor.

As I do with all of the appropriations bills, it is a focus of mine to come in and ask for an additional 1 percent cut on top of the great work that has already been done.

I think it is important to give credit to our appropriations. This is a $21 billion bill, and it is appropri-
ating $566 million less than what was appropriated in fiscal year 2014, and it is $2.2 billion less than what the President requested. That is to be com-
mented. Our appropriations team has done a terrific job in beginning to rein in what the Federal Government spends. The Republican House leadership is to be commended for making their focus to get our fiscal house in order.

I think we have to go a step further, and that is the purpose of my 1 percent across-the-board spending cut amend-
ment. What we need to do now is en-
gage the bureaucracy, engage these Federal agencies, rank-and-file em-
ployees, to come to the table with their recommendations of how we continue to cut.

We are $17 trillion in debt. We cannot continue to borrow 30 cents of every dollar that we spend. We have to think about our children, our grandchildren. This is an amendment that we should all support because we do this for our children, for the sov-
ereignty of our Nation, and for the fis-
cal health of our Nation for years to come.

I think it is important to note that through the years, Governors have used across-the-board spending cuts, Demo-
crat Governors—a former Democrat Governor from my home State of Ten-
nessee. You have got the Democrat Governor in Illinois. You have got the Governor over in Missouri. They have all used across-the-board cuts.

The American people like this idea. They like having the bureaucracy en-
gaged in saving money. A Washington Post/ABC News poll from March 6, 2013, revealed that 61 percent of all Ameri-
cans even supported a 5 percent across-the-board cut in Federal spending.

It is time for us to rein this in and get our fiscal house in order. This is a way to save an additional $228 million.

I reserve the balance of my time.

Mr. CRENSHAW. Mr. Chairman, I rise in opposition to the amendment.

One of the things that we do in the appropriations process is we have hear-
ings. We listen to people. They try to justify their request. Sometimes when programs work well, they might re-
ceive an increase. When people are not doing very well, like the IRS, they have their request denied and are actu-
ally funded at lower levels.

What is interesting, last night on this floor, we appropriated $1 billion to our debt reduction by taking that billion dollars out of the IRS. So when we set our priorities, we do that day to day. In this case, we had 12 hearings.

But when you take an additional 1 percent across the board, you have had a lot of time and energy put into place to set the right priorities. I don’t think you take into consideration that some programs are better than others.

I know my friend from Tennessee cares a lot about Women’s Business Centers, and they received an increase under our appropriations bill because we think they are doing a great job. The Small Business Administration does some work well. You might have had a lot of time and energy put into place to set the right priorities, and I don’t think you take into consideration that some programs are better than others.

I yield back the balance of my time.

Mr. CRENSHAW. Mr. Chairman, I was the simple point is that you have to take into consideration the merit of every program. If we didn’t do anything and we just showed up one day and said how should we fund these people, then I think it is appropriate to say you just cut across the board. But when you spend time and energy in setting the priorities and making hard choices, that is what we have done, and we are proud of the work we have done. I appreciate her compliment that we have done great work.

The fact that she would like to cut 1 more percent across the board I don’t
think is the right way to observe the situation. I appreciate what she is trying to do, but I don’t think in this case it is the right approach.

I would also like to yield such time as he may consume to the gentleman from New York (Mr. SERRANO), the ranking member.

Mr. SERRANO. Mr. Chairman, I also rise in opposition to this amendment. The only difference here, Mr. Chairman, is that we are not attacking the IRS. Now we are attacking the Financial Services Subcommittee. The fact of life is that this committee took the biggest hit of any subcommittee in the House.

And while I may disagree with how some of the bill came out, I have made it clear to the gentleman from Florida (Mr. CRENSHAW) that what I disagree with the most are the riders and the allocation. With a different allocation, we would have had a different bill. So to now cut 1 percent from the committee that took the biggest hit is really to just to try to cripple the bill completely, and it serves no purpose other than to be able to say that you cut it.

Now, it would be nice to see if these kinds of things were mean, what happened on the military budget every so often, but we are not going to see that. We are only going to see it on bills like this where which really services a lot of people. I think that the chairman is right. I join him in opposing this amendment, and I hope that it will be defeated.

Mr. CRENSHAW. I yield back the balance of my time.

Mrs. BLACKBURN. Mr. Chairman, I do appreciate the work that the chairman has done on this bill, and our Appropriations Committee is to be commended.

I think we do have to recognize Washington has a spending problem. They don’t have a revenue problem. They have got a spending and a priority problem. We see it every single day.

What I am asking is to engage those rank-and-file employees, have them find 1 penny on the dollar out of their appropriations that they could save in order to get this burden of debt off the backs of our children and grandchildren—one penny on the dollar. It has worked in the States. It works in our county and city governments. People like that and appreciate that you push for better stewardship, and it is the right thing for us to do as we watch the debt totals climb, skyrocket, and explode.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Tennessee (Mrs. BLACKBURN).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mrs. BLACKBURN. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Tennessee will be postponed.

AMENDMENT OFFERED BY MRS. BLACKBURN

Mrs. BLACKBURN. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will read as follows:

At the end of the bill (before the short title), insert the following:

Sec. 1. None of the funds made available in this Act may be used to provide funds from the Hardest Hit Fund program established by the Secretary of the Treasury under title I of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5211 et seq.) to any State or local government for the purpose of funding pension obligations of such State or local government.

The Acting CHAIR. Pursuant to House Resolution 661, the gentlewoman from Tennessee and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Tennessee.

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Mrs. BLACKBURN. Mr. Chairman, I rise to offer an amendment that would prevent the Federal Government from bailing out public pensioners in cities such as Detroit and Chicago.

We have been reading for the past several months that the Obama administration has been in talks with the city of Detroit to transfer $100 million to the city.

According to an April 16, 2014, article from the Detroit Free Press, the administration has looked to transfer $100 million from the Hardest Hit Fund to shore up Detroit’s unfunded pension liability. The Hardest Hit Fund was created by the Obama administration in 2010 with money from the 2008 stimulus package. The money is meant to help States that have been adversely affected by the housing downturn, and that is according, again, to the Detroit Free Press.

The article adds that:

The $100 million in Federal money was discussed Tuesday night in breakneck negotiations that resulted in a tentative deal to reduce pension cuts for the city’s retired workforce.

Mr. Chairman, I refuse to let Federal taxpayers be on the hook for unfunded pension liabilities made by Big Labor organizations. Cities such as Detroit, Chicago, and others where Big Labor has created extremely generous retirement benefits for public service workers are going to have to find their way out of the mess that they have created.

Now, it is my understanding that the city of Detroit has reached an agreement with Michigan to shore up Detroit’s unfunded pension liability for the time being. However, it does not foreclose this as a possibility to occur in the future for Detroit or any other city where Big Labor agreements have caused financial destruction.

According to an April 7, 2014, article from chicagobusiness.com, Chicago’s unfunded pension liability stands at $19.5 billion. A February 20, 2013, article in Forbes notes that Federal bailouts of State pension funds “would implicitly encourage States to keep spending and doling out entitlements, as doing so is popular for politicians, even if unsustainable.” The article adds that this is especially true in liberal-leaning areas where public-sector labor unions have a lot of control.

Mr. Chairman, we must foreclose the administration’s bailout of Big Labor as a possibility. I refuse to stand by and watch hardworking taxpayers be on the hook for the irresponsible decisions of liberal, Big Labor groups.

Mr. CRENSHAW. Will the gentlewoman yield?

Mrs. BLACKBURN. I yield. I am going to yield with you that I don’t think that taxpayers should bail out Detroit’s pension shortfalls for any other city’s shortfalls. So I want you to know that I support your amendment.

Mrs. BLACKBURN. I appreciate that.

I reserve the balance of my time.

Mr. SERRANO. Mr. Chairman, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. SERRANO. Mr. Chairman, this is really a mean amendment to single out one city, one city that is hurting; to single out labor when, in fact, it is not labor, but it is the people—taxpayers, who have those pension plans and now may or may not have a pension plan to single them out.

With all due respect to the gentlewoman, I am sure there have been many instances throughout history and in recent years when your area, your State, has been helped by Federal dollars when it was hurting, and we all got together and did that, be it a flood, be it a fire, be it a natural disaster. Whatever it may be, we came together to help. Detroit has its problems, and Detroit might have made some mistakes. But to single it out in an amendment and to say that we cannot help in any way, shape, or form is really mean, mean-spirited, and wrong.

It may look good to single an urban center out. It may look good to single out a place that is hurting. But that is not the American way. The American way, I can tell you, as a New Yorker, when New York was hurting, people came to its aid. When we were attacked, we came to its aid.

Sure, this is different, but Detroit, it’s hurting right now. And to single it out on this House floor at 10 minutes to 8, at this time, to single it out as not being worthy of Federal help, I really just must. And then to take the opportunity to attack organized labor by suggesting that somehow they are to blame and therefore they should not get any help is also mean-spirited.

I have seen this a time or two that I have been here, difficult amendments. But this one is one that really takes the cake. Mr. Chairman, Republicans...
have supported bailing out banks and financial institutions that were deemed too large to fail. We were all for saving the auto industry, and I was for it, too. We were all for making sure that big institutions did not fail. And while I questioned it, many of us went along with it. I supposed my old friend told at its worst moment when it is hurting like no city has hurt in a long time is just the wrong thing to do.

If this is what the gentlewoman wants to do, I guess there is no way to stop. I would really wish that she would take a moment to think about this before she goes any further with this.

Mr. Chairman, I yield back the balance of my time.

Mrs. BLACKBURN. Mr. Chairman, I find the gentleman’s choice of words so interesting. I think he used “mean” and “mean-spirited” several times.

Let me tell you what is mean-spirited. Mean-spirited is looking at future generations and saying you didn’t do this, you didn’t do that, and you wanted it all. You bet that is. You are saying you owe this money like it or not because Washington can’t get its spending habits under control. Washington is spending money it does not have to pay for programs that my grandkids do not want.

You are saying it is not the American way. Let me tell you something. Using borrowed money to pay for debts that have not been created by this government is not the way we do business. I would remind you of a Congressman from Tennessee who stood on this floor at one point in history, and he reminded the body that this was not their money to give. It is the taxpayers’ money. That Member of Congress was Davy Crockett.

This is the taxpayers’ money. They expect us to be good stewards. Bailing out cities that have not been good stewards of their money is not what we expect us to be good stewards. Bailing out cities that have not been created by this government is not the way we do business.

Mr. Chairman, 20 States across our country have held public debates and come from the top down. As a former State senator from Tennessee, I strongly believe in states’ rights. I know that is an issue that is important to many of my colleagues in this Chamber. And that is why I found it deeply troubling that FCC Chairman Tom Wheeler has repeatedly stated this position he intends to pre-empt state laws when it comes to the role of state policy over municipal broadband.

Chairman Wheeler’s statements posed a direct challenge on the constitutionality of States’ sovereign functions. It wrongly assumes Washington knows what is best and forgets that the right answer doesn’t always come from the top down.

Mr. Chairman, 20 States across our country have enacted laws that limit municipal broadband to varying degrees. These State legislatures and Governors have not only listened but have responded to the voices of their constituents. They are closer to the people than the chairman of the FCC. They are accountable to their voters.

Mr. Chairman, States have spoken into our vibrant communications marketplace, and they are, likewise, waiting for a response. The U.S. Senate also sent a letter to the FCC on this issue, and they are, likewise, waiting for a response. It seems the FCC is content to tell our States how they will manage their sovereign economic affairs, but they won’t answer to the Congress who is responsible for exercising oversight of the agency.

Inserting the FCC into our State’s economic and fiscal affairs sets a dangerous precedent and violates State sovereignty in a manner that warrants deeper examination. This Congress cannot sit idly by and let an independent agency trample on our states’ rights. This is an issue that should be left to our States, and if it comes to a point where we need a national standard, then that debate should be held by Congress, not the FCC, and should be done with the participation of the American people. I urge adoption, and I reserve the balance of my time.

Mr. SERRANO. First, I wish to withdraw my point of order, Mr. Chairman.

Mr. SERRANO. Mr. Chairman, I rise in opposition to the amendment.

Mr. SERRANO. I do have, and I know it comes at a different time, but I do have letters from different groups opposing the amendment from the National League of Cities, National Association of Counties, National Association of Telecommunications Officers and Advisors, including the gentleman who gets credit for inventing the Internet, and I am not talking about Vice President Gore. I am speaking about someone else.
WHEREAS, the U.S. Court of Appeals in Washington, D.C. in 2010 determined that the long-observed Open Internet Principles of nondiscrimination, non-blocking, and transparency, as declared in a FCC Policy Statement, but instead should be enshrined in a formal rulemaking seeking to reinstate those principles and.

WHEREAS, the FCC issued its Open Internet Order, reinstating these rules for preserving a free and open internet, on December 23, 2010, formalizing protection of transparency, no blocking of lawful content and no unreasonable discrimination of network traffic; and

WHEREAS, these rules enshrine the values of what is commonly referred to as net neutrality; and

WHEREAS, the first principle of the Open Internet Order states that fixed and mobile broadband providers must publicly disclose accurate information regarding network management practices, performance characteristics, and commercial terms of their broadband services; and

WHEREAS, the second principle states that fixed broadband providers may not block lawful content, applications, services, or non-harmful devices; mobile broadband providers may block applications that compete with their voice or video telephony services; and

WHEREAS, the third principle states that unreasonable paid prioritization under a commercial reasonable standard allows paid prioritization that has heretofore been understood to be unjust and unreasonable; and

WHEREAS, unreasonable paid prioritization is antithetical to a neutral Internet, and service providers’ ability to differentiate by type of platform, application, type of attached equipment, and modes of communication; and

WHEREAS, innovation relies on an open and open Internet that does not allow individual arrangements for priority treatment over broadband Internet access service; and

WHEREAS, startups are the engine of an innovation economy, yet may not have the cash flow to pay for paid prioritization, and will therefore be unable to compete with large companies to deliver content to customers, impeding startup growth, thus limiting economic development and the creation of jobs: Now therefore, be it

Resolved, That the US Conference of Mayors supports a free and open internet as the key to the Permanent Open Internet Order; and be it further

Resolved, That the US Conference of Mayors supports comprehensive nondiscrimination as a key principle for any FCC rulemaking; and be it further

Resolved, That the US Conference of Mayors calls on Congress to offer their support of these principles and if necessary use their lawmaking power to enshrine access to a free and open Internet and give the FCC a clear mandate; and be it further

Resolved, That the US Conference of Mayors calls on Congress to offer their support of these principles and if necessary use their lawmaking power to enshrine access to a free and open Internet and give the FCC a clear mandate; and be it further

Resolved, That the US Conference of Mayors recognizes that it is in the public interest to preserve a free and open internet as a significant limitation to competition in the provision of Internet access.

COALITION FOR LOCAL INTERNET CHOICE

James M. Boehte of the American Civil Liberties Union, on behalf of the Coalition for Local Internet Choice, to develop a written statement that could significantly impact broadband service or public/private partnerships.

Sincerely,

NATIONAL LEAGUE OF CITIES,
NATIONAL ASSOCIATION OF COUNTIES,
NATIONAL ASSOCIATION OF TELECOMMUNICATIONS OFFICERS AND ADVISORS,

PRESERVING A FREE AND OPEN INTERNET

WHEREAS, the inherent superior principles of openness, competition and innovation, and openness, core values that have made it the most powerful communication medium ever known; and

WHEREAS, the FCC is currently debating how to enshrine these Open Internet Principles into 21st century regulation; and
broadband investment and competition should be used rarely, in only the clearest of cases, it should not be ruled out categorically in all cases, as the Blackburn amendment would do.

Our Coalition was established to support local choice in acquiring advanced communications capabilities. Our members believe that cities, towns, and counties should be free to decide to work with willing incumbents, enter into public-private partnerships, develop their own networks, or, if whatever else may work for their citizens, businesses, and institutions. Where communities have been free to do this, we have seen robust economic development enhanced educational and employment opportunities, more affordable modern health care, improved public safety, greater energy efficiency and environmental protection, and much more that has contributed to a high quality of life. In contrast, where state barriers to community broadband initiatives and public-private partnerships exist, both the rubric of the state action partisanship high-technology companies, are failing to meet their potential.

At this critical time in our country’s history, it should be preclude or inhibit any potentially successful strategy that will enable our communities and America as a whole to thrive in the emerging knowledge-based economy. Nor can we afford to take off the table any approach that may be necessary in certain cases to remove barriers to broadband investment and competition.

Sincerely,

JOANNE HOVIS,
Chief Executive Officer, CLIC.

Mr. SERRANO. Whatever happened to localism or local control? This amendment eliminates the Federal Government telling every local citizen, mayor, and county council member that they may not act in their own best interests.

Any such amendment is an attack on the rights of individual citizens speaking through their elected officials to determine if their broadband needs are being met.

Congresswoman BLACKBURN only has to drive an hour and a half down Interstate 24 to Chattanooga to see where the cable companies and so on lobby the States and stop them from doing so.

Broadband is something that we need to expand—that may sound like a pun—to make it broader, not to make it limited. It should be available everywhere, and it should be available in every possible place—rural, suburban, inner city, in homes, in schools.

We have to build the infrastructure to make that happen. Again, I repeat, I really think that her intent is not to make that happen. Again, I repeat, I really think that her amendment is to allow those cities in those cities, in those States that have made this decision—this is how they want to handle broadband—to do it.

It gives the power to them. It keeps bureaucrats, sitting at the FCC, from making these decisions and overriding the wishes of our States and of those cities that are located therein. I urge adoption of the amendment.

I yield back the balance of my time.

Mr. SERRANO. Mr. Chairman, it is interesting to note that Chairman UPTON has legislation and has spoken out on this issue, and the whole issue here is to allow cities to do what they need to do without having the major cable companies and so on lobby the States and stop them from doing so.

Broadband is something that we need to expand—that may sound like a pun—to make it broader, not to make it limited. It should be available everywhere, and it should be available in every possible place—rural, suburban, inner city, in homes, in schools.

We have to build the infrastructure to make that happen. Again, I repeat, I really think that her intent is not to make that happen, and that is why I oppose it and hope we would all oppose it.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Tennessee (Mrs. BLACKBURN).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. SERRANO. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Tennessee will be postponed.

AMENDMENT OFFERED BY MRS. BLACKBURN

Mrs. BLACKBURN. Mr. Chairman, I have one final amendment at the desk.

The Acting CHAIR. The Clerk will report the amendment.

The Clerk read as follows:

At the end of the bill (before the short title), insert the following:

SEC. 6. None of the funds made available by this Act may be used by the Consumer Product Safety Commission to finalize, implement, or enforce the proposed rule entitled "Guidelines for Voluntary Remedial Actions and Guidelines for Voluntary Recall Notices" (CPSC Docket No. CPSC-2013-0040).

The Acting CHAIR. Pursuant to House Resolution 661, the gentlewoman from Tennessee and a Member opposed each will control 5 minutes.

Mrs. BLACKBURN. Mr. Chairman, my amendment would prohibit funds for the voluntary recall proposed rule at the Consumer Product Safety Commission and would prevent them from moving forward with a rule that would cripple the highly successful voluntary recall program that is currently in place.

In fact, the CPSC recently highlighted the successes of the program, noting that 90 percent of the recalls through the award-winning Fast Track program are implemented within 20 days. The Fast Track program was created by former CPSC Chairman Ann Brown to greatly reduce the amount of time it takes recalls to be implemented.

Instead of working to increase the efficiency of its programs, the CPSC’s proposed rule change effectively kills its most successful program. On May 30, Ann Brown, a Democratic former U.S. attorney appointed by President Clinton, sent a letter to the Energy and Commerce Committee expressing deep concerns over the impacts of the Commission’s proposed rule.

Concerning the substantive provisions of the proposal, former Chairman Brown stated:

A Fast Track procedure would be rendered impossible under these circumstances.

The success of this Fast Track program is based on the shared commitment of the Commission and the private sector to remove harmful products from the marketplace.

The Commission, however, now seeks to transform the voluntary recall process into a legal negotiation equivalent to a settlement agreement. The proposed substantive changes would require companies seeking to implement a recall to hire an attorney to negotiate binding and enforceable terms with the CPSC staff.

This places significant burdens on small businesses that use the Fast Track program because the program allows them to work with the Commission staff without having to pay expensive legal fees. The CPSC should not discourage companies from working closely, efficiently, and effectively with the CPSC when potential hazards or defects are identified.

As the letter from former CPSC Chairman Brown shows, this is not a political issue. Senators from Pennsylvania—Casey and Toomey, a Democrat and Republican, respectively—submitted a letter in January for the docket, raising concerns about the proposed changes.

Senator KING sent the Commission a letter in March expressing similar concerns, and I include these letters from Mr. Chairman, from former Chairman Brown and from the Senators into the RECORD.
September 11, 2014

Hon. Fred S. Upton,
Chairman, Committee on Energy and Commerce,
Washington, DC.

Dear Chairman Upton,

I wish to communicate my strong support for the Fast Track Program, in which
and companies in Pennsylvania often initiate product recalls as a precautionary measure, even when there is no evidence of injury to consumers. As the CPSC itself points out, the advantage of its award-winning program is that it permits companies to remove potentially hazardous products from the marketplace as quickly and efficiently as possible, without requiring CPSC staff to make a preliminary determination that the product is hazardous. The Fast Track program makes recalls voluntary and utilizes standard-form documents that can be expeditiously reviewed and executed. Product recalls can occur rapidly and efficiently.

Unfortunately, the proposed changes seem to jeopardize the efficacy of the existing program, which could increase the risk of harm to consumers. The proposed rule makes voluntary product recall Action Plans legally binding and requires companies to state with specificity each instance in which a product causes harm. We worry that these changes may discourage companies from initiating...
defective products and quickly remove them from circulation.

The proposed rule under consideration would make substantial changes to the “Fast Track” program and could threaten the incentives to undertake voluntary recalls, as well as substantially increase the cost of completing the process. Most significantly, the proposed rule makes the obligation to provide comments in voluntary recall agreements legally binding, which could dramatically shift the incentive structure for businesses to report incidences of defective products. A plan legally binding will slow down the voluntary recall process, leaving consumers at risk for a longer period of time. If the plans will first need to be subject to detailed review by legal counsel.

The proposed rule would also allow the CPSC to require the adoption of a compliance program as a component of corrective action plan—if not properly calibrated—could introduce further delays in the voluntary recall process, even when a business has no history of recalls or violations. Thus, the CPSC’s proposed rule, with the CPSC on the parameters of a voluntary recall agreement, a business might also have to negotiate the parameters of a compliance program that provide more detail of said program in the recall announcement.

While Section 214 of the Consumer Product Safety Improvement Act of 2008 required the CPSC to establish requirements for mandatory recall notices, the statute bears no mention of establishing similar requirements for voluntary recalls. I understand that the CPSC bases its authority to establish guidelines from language in a House committee report, but I am not convinced that the proposed rule’s sweeping changes to the CPSC’s voluntary recall program are congruent with either the intent of the statute or the language in the committee report.

Existing regulations require companies initiating a voluntary recall to propose and implement a formal corrective action plan, but these plans were never intended to be legally binding. Part 1151.20 of title 16 of the Code of Federal Regulations describes a corrective action plan, but does not require it to be approved. In fact, the proposed rule makes this mandatory, requiring companies to have a compliance program in place before initiating a voluntary recall. This is not something we should be micromanaging the CPSC on.

Furthermore, it is a proposed rule, and the CPSC is simply reviewing comments at this stage, and that is important. We should simply review and revise the rules at this stage. We in this body should let the process of issuing rules play out, as is required in law, instead of cherry-picking where and when we want to interfere. This is simply not an area of over-regulation, since no regulation is yet in effect, so this amendment is unnecessary. I oppose the amendment, and I hope my colleagues will as well.

I reserve the balance of my time. Mr. SERRANO. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. CRENSHAW).

Mr. CRENSHAW. I think the gentleman from Florida has very well explained the amendment. We have a system that has been working well for 40 years, and so I don’t think we need to make any unnecessary changes, and so I urge Members to support her amendment.

Mrs. BLACKBURN. Mr. Chairman, I thank the gentleman from Florida for his work. I urge the Committee to adopt this amendment. The program in place at the CPSC has worked well. It is supported by both Republicans and Democrats. The process they are going through at CPSC is an tremendous amount of time and money.

Looking at setting up a system that would force these retailers into legal negotiations and settlements is not the way to address this.

The Fast Track program has been enormously successful. Former Chairman Garamendi—was appointed by President Clinton. They did a great job putting this program together. We should leave it in place. I urge a “yes” vote.

I yield back the balance of my time. Mr. SERRANO. Mr. Chairman, this agency is one of the better agencies. Every so often, we read about baby seats and blankets and all kinds of issues that affect our communities and our daily lives.

We should stop trying to attack it, as some people do. I just think that this is not a good amendment and that it should be defeated. I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Tennessee (Mrs. BLACKBURN).

The question was taken; and the Acting CHAIR announced that the ayes appeared to have it.

Mr. SERRANO. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Tennessee will be postponed.

Mr. CRENSHAW. Mr. Chairman, I move that the Committee do now rise. The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAMALFA) having assumed the chair, made a recess.